FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 203 *18 October 1979*

INTER-AMERICAN AFFAIRS

Tripartite Agreement on Itaipu, Corpus Projects Announced [HOY 12 Oct] A 1
Presidents May Attend Signing [ABC COLOR 13 Oct] A 1

ARGENTINA

'Reliable Sources' on Possibility of Figueiredo Visit B 1
Envoy's Residence in Trinidad-Tabago Attacked B 1
Peronist Group Decries Recent Nuclear Deals B 1
Police Prohibit Justicialist Ceremony B 2

BOLIVIA

Mines Minister Reacts to U.S. Senate Approval of Tin Bill C 1
Radio, Television Workers Declare State of Emergency C 1

BRAZIL

Reportage on Peruvian President Morales Official Visit D 1
'Act of Brasilia' Signed [O ESTADO DE SAO PAULO 17 Oct] D 1
Presidents Sign Joint Communique [O GLOBO 17 Oct] D 2
Figueiredo Speaks at Banquet [JORNAL DO BRASIL 16 Oct] D 4
Morales Bermudez Address [JORNAL DO BRASIL 16 Oct] D 5
Morales Press Conference D 6
Morales on Cuba, LA Integration D 7
Morales Bermudez Departs for Home D 7
Itamaraty Approves of Increased U.S. Presence in Caribbean [O ESTADO DE SAO PAULO 17 Oct] D 8
Spokesman Denies 'Serious Problems' in Relations With U.S. [O GLOBO 13 Oct] D 8
Commentary on Rogers Commission on Bilateral Relations [O ESTADO DE SAO PAULO 14 Oct] D 8
Costa Rican Minister To Be Consulted on Salvadoran Crisis [O GLOBO 17 Oct] D 10
Figueiredo To Visit Argentina in March 1980 D 10
Guinea-Bissau President To Visit in April D 10
Delfim Neto Sees Public Investments as Cause of Inflation D 10

VENEZUELA

Public School Teachers Strike, Government Rejects Demands L 1
Presidential Statement L 1
Teachers' Leader Explains Strike L 1

PANAMA

Merchants Strike in Response to Chamber of Commerce Call N 1
Strike Shows Mixed Effects N 1
Further Report N 1
Strike Coordinating Committee Named N 2

CENTRAL AMERICA

EL SALVADOR

Unrest Prevails After Coup; Prisoners Released P 1
Situation in Mejicanos P 1
12 Dead; Factories Burned P 2
Demonstrators Dispersed P 2
'Heavy Fighting' in San Marcos P 3
Four ERP Guerrillas Killed P 4
Further Report on San Marcos P 4
Junta Says Situation 'Under Control' P 5
Junta Enters Presidential Palace P 5
Leftists Released; Defense Chief Named P 5
Release of Mejicanos Prisoners P 6
Majano Remarks on Release P 6
Civilian Members of Junta P 7
BPR Says Struggle Will Continue P 8
BPR Demands to Junta P 9
Striking Workers Burn Down Factories in San Salvador P 9

GUATEMALA

Commentary on 'Hospitality' Toward Ousted Dictators P 10
Trade Agreement Signed With Romania P 11
Further Reportage on Garcia Granados Kidnap P 11
Industrialist Offers Exchange P 11
EGP Manifesto Publicized P 12

HONDURAS

Cadalso Hopes New Salvadoran Regime Continues Peace Talks P 13
Former Nicaraguan Guards Rob Border Post P 13

NICARAGUA

Counterrevolutionaries Attack in Bluefields P 14
Citizens Asked To Stay Home P 14
Borge Denies Revolutionaries' Hand in Bravo Killing P 14
Marxist League Criticizes Arrests, Protest Held P 15
Arrests in Granada [EL PUEBLO 9 Oct] P 15
Leader Denounces Arrest of Argentine P 16
Party Leaders To Analyze Junta Statements on PSN 'Treason' P 16
[LA PRENSA 6 Oct]
More Democratic Elections of Departmental Juntas Proposed P 17
[LA PRENSA 4 Oct]
Sandinist Leaders Brief Workers on Revolution's Goals P 17
[BARRICADA 5 Oct]

Budget Official Discusses Ministries' Budgets P 20
[LA PRENSA 8 Oct]
Central Bank Issues Resolution on Loans P 21
[LA PRENSA 11 Oct]
New Agency To Regulate Prices of Basic Grains P 22
Government Imposes New Tax on Coffee Exports P 22
[BARRICADA 5 Oct]
Government Creates Institute of Statistics, Census P 24
Government Nationalizes Insurance Companies P 24
Cuban Teachers' Arrival Postponed Until November P 24
European Community Grants Funds To Nicaragua P 24

CUBA

Havana Reports on Guantanamo Naval Base Exercise Q 1
Commentary Blames U.S. for Coup in El Salvador Q 1
Fidel Receives Iraqi Grant for Hurricane Victims Q 2
Delegate to WTU Demands Fulfillment of UN Resolutions on Cyprus Q 2

CARIBBEAN

BARBADOS

Forde Comments on Human Rights, U.S. Military in Area S 1

BELIZE

Price Calls for Elections on 21 November S 1

GRENADA

Bishop Defends His Country's Human Rights Record S 1

TRIPARTITE AGREEMENT ON ITAIPU, CORPUS PROJECTS ANNOUNCED

PY121741 Asuncion HOY in Spanish 12 Oct 79 p 9 PY

[Text] Yesterday afternoon a press conference was held at the Foreign Ministry. It was attended by Interim Foreign Minister Sabino A. Montanaro; Senator Carlos Augusto Saldivar; Ing Enzd Debarnardi, deputy director of the Itaipu Binational Enterprise; Foreign Ministry Under Secretary Rodney E. Acevedo; and local and foreign newsmen.

During the press conference, Minister Montanaro read the following press communique: "The negotiations between the governments of the Republic of Paraguay, the Republic of Argentina and the Federative Republic of Brazil regarding technical-operational cooperation between the Itaipu and Corpus projects are in their final stage. The foreign ministers of the three countries have therefore agreed to meet in Ciudad Presidente Stroessner on 19 October in order to conclude an agreement through an exchange of notes confirming the positive results of these negotiations."

Ing Enzo Debernardi explained the technical details of the agreement, saying: "The agreement reached among the three countries is an agreement which I, as a technician, might summarize as containing three factors of equilibrium: in the first place the number of turbines for Itaipu; in the second place the height of Corpus; and, lastly, certain limits of the water flow of the Parana River below Itaipu which should not be exceeded."

He continued: "The modification of any of these three factors of equilibrium will have to be preceded by talks among the three countries. Thus, if it finally decided to install two additional turbines at Itaipu, the three countries will first have to talk about the subject, because it would mean an alteration in one of the factors of equilibrium of this agreement."

Then, referring to the bases of the agreement, he said: "Certain figures have been established limiting the waterflow of the Parana River below Itaipu. These figures refer to the change of the level of the Parana River caused by the operation of Itaipu 24 hours a day, the hourly change of level and the surface speed of the water."

Presidents May Attend Signing

PY131552 Asuncion ABC COLOR in Spanish 13 Oct 79 p 12 PY

[Excerpt] According to reports released yesterday in diplomatic circles, President Alfredo Stroessner may attend the signing by Paraguay, Argentina and Brazil of the tripartite agreement designed to reconcile the hydroelectric projects of Itaipu and Corpus.

It is believed that the Paraguayan president intends to attach the greatest possible significance to the signing ceremony--to be held at the city which carries his name--by heading a high-level official delegation.

River Plate sources have reported that Argentine President Jorge Rafael Videla may also attend the tripartite agreement signing ceremony.

'RELIABLE SOURCES' ON POSSIBILITY OF FIGUEIREDO VISIT

PY180235 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0002 GMT 18 Oct 79 PY

[Text] Buenos Aires, 17 Oct (NA)--Very reliable sources at Government House stated today that they "had nothing to report for the time being" when they were asked about the possibility of inviting Brazilian President Joao Figueiredo to visit Argentina.

Nevertheless, the sources did not reject the possibility that the Argentine Government will make the appropriate invitation to the Brazilian chief of state, who would then be the second to visit Argentina, 35 years after the visit of Getulio Vargas.

ENVOY'S RESIDENCE IN TRINIDAD-TOBAGO ATTACKED

PY161332 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1450 GMT 15 Oct 79 PY

[Excerpt] Buenos Aires, 15 Oct (NA)--Jorge Faurier, Argentine charge d'affaires in Trinidad-Tobago has disclosed that the ambassador's residence in Port-of-Spain, capital of Trinidad and Tobago, was attacked a few hours ago.

Faurier indicated that two molotov cocktails were thrown at the residence,which is still occupied by officials of the Nigerian Embassy in Port-of-Spain.

The Argentine diplomat, who made his statement by telephone from the capital of Trinidad-Tobago for the "Voces de la Patria Grande" program of Radio Splendid, said that "the bombs did not cause any damage; they just stained the walls and nothing else." Faurier said that he is in charge of the Argentine Embassy in Trinidad-Tobago while Ambassador Guillermo Cash is in Buenos Aires.

PERONIST GROUP DECRIES RECENT NUCLEAR DEALS

PY161252 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2318 GMT 15 Oct 79 PY

[Text] Buenos Aires, 15 Oct (NA)--A faction of the so-called "opposition group" of the Peronist Party today expressed its concern over the possibility that a nuclear "dump" may be established in Argentina, and warned about the risks involved in recent accords reached with the Swiss firm Sulzer Brothers to build a heavy water plant and with the German KWU [Kraftwerk Union] to build Atucha II.

The communique, signed by 18 members of this group, including Jorge Camus, Raul Bercovich Rodriguez and Juan Carlos Cornejo Linares, states that the Swiss firm chosen to build the heavy water plant "appears to be the one that built the plant in Baroda (India), which was blown apart by an internal explosion, and in Mazumbarde (France) which could not be put into operation."

The communique indicated that these plants "had a maximum output capacity of 60 tons per year. Switzerland itself does not operate a single plant with an output of more than 23 tons per year; however, when the risks will be run by us Argentines, Sulzer dares to install a 250-ton plant."

The paper went on to emphasize that something similar is involved with the KWU which will build Atucha II, which will use "natural uranium."

"It so happens that KWU abandoned this system approximately 8 years ago and has specialized in developing other systems which use enriched uranium. This places us before a dangerous technological gap evidenced by the nuclear reactor which the KWU will supply us with. It is a prototype which has never been built or tested," the communique stated.

It went on to stress that "the KWU has signed a secret accord with Brazil--as revealed by Sao Paulo GAZETA MERCANTIL on 22 September 1979--aimed at the establishment of a German nuclear monopoly in South America. This monopoly would be controlled from Brazil."

The communique concluded by stating that "ever since 1952, Argentina has been the acknowledged South American leader in nuclear research and it must carefully evaluate the information disclosed in this communique, to discourage every effort aimed at subordinating the country to Brazilian interests in this sensitive matter."

POLICE PROHIBIT JUSTICIALIST CEREMONY

PY171258 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2336 GMT 16 Oct 79 PY

[Text] Buenos Aires, 16 Oct (NA)--According to a communique issued by the Justicialist Party tonight, a ceremony scheduled for tomorrow to commemorate another anniversary of 17 October 1945 [presumably Peron's reinstatement in power after failure of military coup on 9 October 1945], at the building of the Argentine LOX [expansion unkown] Federation, has been forbidden by the police.

The communique, issued by the "Permanent National Commission To Honor the Memory of Lt Gen Juan D. Peron," is signed by Gen Ernesto Fatigatti and former National Deputy Jose Amerise who, together with union leader Roberto Garcia, were supposed to speak at the canceled ceremony on "Peron's historical legacy."

Not long ago the commission released a report indicating that the reason for the ceremony was to "recall that glorious action which changed the course of our fatherland's history."

Another communique released by the National Justicialist Movement of Buenos Aires Province indicated that "we must commemorate this 17 October with the sorrow caused by failure of the armed forces to follow the right course and Argentina's failure to fulfill its historical destiny."

The communique added that "the failure of the current economic policy, to which the government has tied its future, is the usual fiasco of all materialist systems which lack greatness as well as the lack of a great national policy."

It also stressed that the armed forces "which helped the people to launch the modernization of the country and fully defeated the antipatriotic subversion, must now return to their true position outlined by San Martin, Rosas and Peron."

MINES MINISTER REACTS TO U.S. SENATE APPROVAL OF TIN BILL

PY171059 La Paz Radio Fides in Spanish 0200 GMT 17 Oct 79 PY

[Excerpts] Bolivia will accuse the United States of violating a multinational treaty if it sells 35,000 tons of its strategical tin reserves. If we cannot prevent this sale, we will withstand the blow with a dignified attitude without agreeing to any kind of negotiation since, in view of its state of dependency, Bolivia cannot adopt radical attitudes against the northern country.

These are the highlights of an unscheduled press conference held late tonight by Mines and Metallurgy Minister Oscar Bonifaz upon learning that the U.S. Senate approved this afternoon the bill authorizing the sale of 35,000 tons of tin.

Minister Bonifaz said that the discussion of a tin sale bill in the U.S. Congress is in fact a violation of the Fifth International Tin Agreement. He said Bolivia will charge the United States in every international forum and at the International Tin Council with violating an international treaty. He added that the Bolivian Government will avail itself of every means of pressure to force President Carter to veto the law approved by the Congress. He also said that OPEC may buy the 35,000 tons of tin as a reserve to safeguard its petrodollars in view of the U.S. dollar devaluation. He said that Bolivia will withstand the blow with a dignified attitude, with the assurance that once the tin reserves are depleted, tin prices will soar because of shortage on the market. Bolivia then will be able to repay the United States with the same coin.

RADIO, TELEVISION WORKERS DECLARE STATE OF EMERGENCY

PY160129 La Paz Radio Panamericana Network in Spanish 0000 GMT 16 Oct 79 PY

[Text] The Bolivian Confederation of Radio and Television Workers has declared a state of emergency until 0000 on Thursday, 18 October, and it reserves the right to adopt whatever measures the situation may require.

Point no 1 of the resolution that has been released by the highest radio and television organization of the country also announced that body's full solidarity with the position adopted by the radio workers of Santa Cruz, who have declared an indefinite work stoppage. These measures have been adopted in view of the situation of the former employees of Radio Abaroa of Santa Cruz City and the occupation of radio stations in Trinidad last Thursday.

The resolution explains that the commitment signed between the government and the above-mentioned radio workers regarding the payment of social security benefits has not been carried out and that, for this reason, the radio and television workers of Santa Cruz have stopped working. They believe that despite the grace period asked for by the government to work out administrative details, 13 days have already passed without any possibility of a solution that will benefit the radio workers in question. They explain that the indolence and apathy of the bureaucratic state apparatus demonstrates its inefficiency and lack of ability to resolve the problems that might emerge, even though the president himself gave his word that he would resolve them. They also believe that there are no guarantees for radio and television workers in the performance of their specific tasks, and even their lives are placed in danger in cases of occupations such as those that occurred last Thursday.

REPORTAGE ON PERUVIAN PRESIDENT MORALES OFFICIAL VISIT

'Act of Brasilia' Signed

PY172300 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 17 Oct 79 p 6 PY

[Text of "Act of Brasilia" signed by Brazilian President Joao Figueiredo and his Peruvian counterpart, Maj Gen Francisco Morales Bermudez, in Brasilia on 16 October]

[Text] On the occasion of his official visit to Brasilia in response to an invitation extended to him by Brazilian President Joao Baptista de Oliveira Figueiredo, and complying with the mission recently entrusted to him in Panama by the chiefs of state of the countries of the Andean Group, Peruvian President Maj Gen Francisco Morales Bermudez gave a detailed briefing to the Brazilian president on the current status of the Andean Group and of its desire for integration, inspired by the objective of Latin American unity. The Peruvian president emphasized the exceptional importance of Brazil's participation in promoting mechanisms and instruments of coordination and harmonization at the regional level. Within this context, the two presidents examined the chances of establishing effective ties between the Andean Group and Brazil.

The presidents of Brazil and Peru verified the existence of common interests between the countries of the Andean Group and Brazil concerning the whole range of problems dealing with development and the new international order, and therefore they deemed it useful to promote broader coordinated actions to convey current trends of change and to demand efforts from all countries of the region. Furthermore, they believe that stronger ties between the Andean Group and Brazil ought to be translated into a substantial increase in trade, into greater cooperation in the Amazon region and into strengthening their common positions on which multilateral economic negotiations are based.

President Figueiredo told President Morales Bermudez that in keeping with his expressions of fraternal solidarity and his satisfaction over the results achieved in the implementation of the Cartagena Agreement--on the occasion of its 10th anniversary--he had invited the members of the Cartagena [Agreement] board to visit Brazil soon to conduct formal studies on coordination and cooperation between his country and the Andean Group. Also, taking into account the two parties' agreement to establish dialog between Brazil and the Andean Group, the Brazilian president stated that he accepted, with special pleasure and interest, the invitation for the Brazilian foreign minister to meet in Lima with the council of foreign ministers of the Andean integration system, to be established in the near future.

For his part, the Peruvian president, representing the chiefs of state of the Andean Group, expressed his satisfaction over the Brazilian president's announced decisions and his belief that the development of these ties will be highly beneficial for the states engaged in this process of rapprochement and understanding, which will decisively contribute to consolidating their position on the international scene.

Presidents Sign Joint Communique

PY172226 Rio de Janeiro O GLOBO in Portuguese 17 Oct 79 p 6 PY

[Excerpts of joint communique signed by Brazilian President Joao Baptista Figueiredo and Peruvian President Francisco Morales Bermudez on 16 October in Brasilia]

[Text] They reaffirm that states have the right to full self-realization in the context of the international community on the basis of sovereign equality, mutual respect among states, territorial integrity, absence of threats or use of force, self-determination, compliance with treaties, nonintervention in internal or external affairs of other states, and peaceful solution of conflicts. In accordance with these principles, they reaffirm the unshakable determination of the Brazilian and Peruvian people to strive for integral, independent and sovereign development.

They proclaim the interest of their governments in the establishment of better conditions for the entry of their products into the markets of developed countries through the concession by the latter of differentiated and most favorable treatment to all developing countries. They also assert the full right of all states to access to the benefits resulting from scientific and technological advances. They reaffirm their countries' adherence to the principle of permanent and inalienable sovereignty of states over their own natural resources to promote their economic and social development and the well-being of their people without interference from outside.

They ratify the need to undertake broad efforts to restructure international trade in basic products in order to obtain more just and profitable prices for exports from developing countries, as well as to increase the degree of domestic processing of such products.

The two presidents stress the vital importance which finding a solution for the energy problem has for the economic and social development of developing countries. They concur that the examination of the foundation for a new international economic order should take the energy problem into account as an integral part of other questions of fundamental importance for economic development, particularly those referring to the situation of raw materials, entry into developed markets and international monetary matters. Furthermore, they stress the need for efforts by the international community to develop to the greatest extent possible renewable energy sources, considering that this will have a positive impact on the economies of a large number of developing countries. They reaffirm Brazil's and Peru's commitment to contribute to the further strengthening of the unity and solidarity of the Group of 77, considering that they are fully identified with the aspirations and objectives of this group.

They reaffirm the determination of their governments to defend the sovereignty and jurisdictional rights over the coastal seas of their respective states and over the seabeds and subsoil of their coastal seas up to a 200-mile limit, as well as over the continental shelf beyond that limit.

Regarding the hemisphere, the two presidents proceeded to make an overall evaluation of the development of inter-American relations, and they agree on the need to continue efforts to improve inter-American cooperation and to readjust the mechanisms of the OAS to the new political and economic dynamics of hemispheric relations.

In reviewing the situation in Latin America, with particular interest and with an attitude of strict respect for the sovereignty of states, they emphasized the importance of national efforts in favor of democracy, freedom, social justice and economic development. They also affirmed that the basic objective of their governments is to guarantee respect for human rights and fundamental liberties.

In the context of a broad agreement regarding the need to coordinate efforts at the regional level to make possible the strengthening and improvement of mechanisms of integration and cooperation, the presidents reasserted their unrestricted support for the Latin American Economic System (LAES) as a flexible and effective instrument in the field of economic cooperation, and for the taking of joint initiatives, in appropriate cases, to enhance the capacity for joint action by Latin American countries on the international stage.

The Brazilian president and the Peruvian president, who also acted as the representative of the chiefs of state of the Andean Group by virtue of the Panama mandate, expressed their deep satisfaction over the signing of the "Act of Brasilia" today. This instrument sets the conditions for establishing ties between the Andean Group, which is capable of a rich combined contribution, and Brazil, which can be an active participant in the process of Latin American unification. They fully agree that it is convenient to establish a dialog between Brazil and the Andean countries, and to this effect the Brazilian president accepts, with much pleasure and interest, the proposal that the Brazilian foreign minister meet in Lima with the foreign ministers council of the Andean integration system, which is to be created in the near future. For his part, the Brazilian president mentioned the invitation he extended to the members of the Cartagena Agreement board to visit Brazil.

President Figueiredo and President Morales Bermudez analyzed the structure and evolution of bilateral trade during recent years and recognized that, although it has reached a significant level, special efforts will have to be made in order to reach the highest possible levels in every respect. To this effect, they noted that the mixed trade group, which is composed of representatives of foreign trade organizations from both countries, should meet as soon as possible in order to give impetus to the growth and diversification of trade in basic and manufactured goods under the provisions of the agreement on the supply of products over the medium term and other agreements which might yet be concluded for the same purpose. They point out that the opening of an office in Sao Paulo by MINEROPERU Comercial (MINPECO) and Peru's intention to open a trade bureau in Rio de Janeiro are important steps in the right direction. The Peruvian president announced the offer of a $200-million line of credit to the Brazilian Government for the purchase of Peruvian non-traditional products. This question will be discussed in due time by the central banks of both countries. Furthermore, the two presidents express satisfaction over the effective utilization of the lines of credit granted to the Peruvian Government by the Brazilian Government.

President Morales Bermudez announced the Peruvian Government's intention of resuming sales of oil to Brazil. Moreover, the Peruvian chief of state offered to the Brazilian Government the possibility for BRASPETRO to participate, under a contract with PETROPERU, in the search for and exploitation of oil on the Peruvian continental shelf. Both announcements were received with special satisfaction by President Figueiredo, who offered assurances that he would take the necessary steps to initiate negotiations to that effect. The presidents were pleased with the signing of a contract whereby the Bank of Brazil granted a $89-million credit to DOFIDE-ELECTROPERU for the construction of the civil engineering infrastructure of the Peruvian Charcani V hydroelectric plant by a Brazilian company. The construction of this hydroelectric plant is an uplifting example of cooperation between developing countries and a landmark in the economic relations between Peru and Brazil.

In examining the development of projects to physically link the two countries, and realizing that their materialization--as a complement to the natural waterway represented by the rivers of the Amazon Basin--will permit the derivation of mutual benefits from the potential for economic interrelations along the common border and will also permit Brazil and Peru to have access to the Pacific and the Atlantic oceans respectively, the two presidents concur that the mixed transport group should be called to a meeting shortly in order to study the possibility of granting special port facilities on the Brazilian and Peruvian coasts.

Figueiredo Speaks at Banquet

PY170245 Rio de Janeiro JORNAL DO BRASIL in Portuguese 16 Oct 79 p 4 PY

[Text of speech by Brazilian President Joao Figueiredo at a banquet given at Itamaraty Palace to welcome his Peruvian counterpart, Francisco Morales Bermudez, on 15 October]

[Excerpts] It is with special satisfaction that I welcome Your Excellency and your entourage as the first American chief of state we have the honor to receive in Brasilia. Your Excellency is well aware of the importance my government assigns to relations with our brother countries, especially our Latin American neighbors.

We are indeed experiencing a difficult international situation. In the economic field, the accumulation of wealth in the hands of developed countries has become more acute. Consequently, it has jeopardized the social and cultural advancement of other peoples, in addition to depriving them of the minimum conditions required for a productive, healthy life. It is within this framework that Peru and Brazil are determined to take advantage of--as they are already doing--their possibilities for trade and cooperation in every field.

The greatest river basin in the world has been a major factor in Brazilian-Peruvian relations. Posing a challenge which is proportionate to its dimensions, the Amazon region is more than a mere geographical link among the Andean countries, the Guyanas and Brazil. The Amazon region is also the appropriate area in which a steady, real cooperation among sovereign nations can be implemented. I believe that only by acting together will the eight Amazon countries be able to meet their responsibility of converting into current, specific progress the huge potential resources existing in the area.

It was with this purpose that Peru, Brazil and six other Amazon countries decided to set up--through the Amazon cooperation treaty--a framework for channeling their desire for active cooperation toward the achievement of progress and well-being for the peoples of the region.

Mr President, in implementing our ideals of peace, justice and development, which govern Brazil's international relations, we attach the greatest significance to strengthening our ties with our brother countries. Our concept of Latin American solidarity is based on the prevalence of a durable peace in the region, on respect for our neighbors, on our decision to promote understanding and to make every effort to strengthen mutually beneficial relations.

The actions of our two countries have been marked by fundamental agreements. We are among those who strive for freedom, social justice and respect for human rights. We defend a new, more just international economic order, and we will continue to raise our voices to defend each country's sovereign right to protect and freely dispose of its natural resources. We have always demonstrated our desire to set up a worldwide order governing maritime resources so as to preserve the interests of all developing countries. We also agree in assigning essential importance to having full access to science and technology. In sum, Mr President, just as we rejected them in the past, we cannot accept in the future, developments that entirely benefit some countries to the detriment of others.

Since Your Excellency made this trip to Brazil shortly after meeting with the presidents of the countries of the Andean Group, I wish to convey to you the Brazilian decision to establish jointly with the Andean countries a system of dialog to promote in the short term a better identification of our common political, economic and commercial interests. I want to stress the Brazilian intention to strengthen the operational mechanisms of both LAFTA and LAES.

President Morales Bermudez, your well-known skills as a statesman and your lofty concepts have been of great value to Latin America. You made an important contribution to strengthening Brazilian-Peruvian relations at a very significant moment. In view of the ideals we share, and encouraged by our accomplishments, I am certain, Mr President, that cooperation between our countries will achieve new, promising dimensions. With this assurance, in the name of the Brazilian nation, I toast Peru's growing prosperity, the progress of our relations and the personal happiness of Your Excellency and Mrs Morales Bermudez.

Morales Bermudez Address

PY170252 Rio de Janeiro JORNAL DO BRASIL in Portuguese 16 Oct 79 p 4 PY

[Text of speech by Peruvian President Francisco Morales Bermudez at banquet given in his honor at Itamaraty Palace on 15 October]

[Excerpts] It is an honor for me to be the bearer of a message of friendship from the Peruvian Government to Your Excellency, a message that is steeped in the sentiments of the Peruvian people for the brotherly and neighborly Brazilian nation. On behalf of my wife and the other persons who came with me, I want to thank Your Excellency for the generous hospitality extended to us during this visit, thus emphasizing the high level reached by Brazil and Peru in their relations.

The same territory which was a remote area of little significance in the early stages of our nations has gradually become an area of contacts with significant and new prospects for our countries. The support which Brazil and Peru resolutely gave to the process of cooperation in the Amazon region has the Amazon River as its backbone and is nurtured by possibilities for complementarity which project themselves over time and space.

Brazil and Peru share viewpoints about the complex problems of development and are aware of the need to shape the Third World into an effective force within the international community. This sharing of viewpoints can only be enhanced if we deepen the channels of understanding, intensify trade, broaden cultural exchanges and offer technology and cooperation among developing nations, while preserving our own values and native elements which will make it possible to have a lifestyle with a well-defined identity, freeing ourselves from socioeconomic models which are foreign to our spirit and our reality.

To serve those purposes we have an adequate plan of regional cooperation which, properly strengthened in its functions and scope of action, could effectively contribute to consolidating the will necessary to maintain joint positions consistently. Our region has just begun to organize itself on the basis of integrationist and cooperative plans as part of an historic effort so long desired and so long postponed. With praiseworthy flexibility, all the potential of our pioneering organizations such as the LAES and LAFTA, has been adjusting to these new requirements, and the presence, voice and decision of Brazil--a key country in the reorganization and future greatness of the South American subcontinent--will have to be a determining factor in this.

The channels for dialog opened through these new regional experiences will contribute to the above-mentioned goal. And the message of the Andean Group countries, of which Peru is the spokesman here, is intended to affirm the unity of Latin America through more effective ties and the better identification of common interests.

Whatever Peru and Brazil decide to do, whatever the Andean countries and Brazil decide to do, whatever the group of countries adhering of the Amazon treaty decide to do, will deeply and irreversibly mark the future of the South American continent, the characteristics of cooperation in the region and the treaty's final political projection in shaping the future of Latin America in consonance with the ideals of integration and united positions regarding the decisive problems of the contemporary world.

Morales Press Conference

PY172330 Buenos Aires LATIN in Spanish 1847 GMT 17 Oct 79 PY

[Text] Brasilia, 17 Oct (LATIN)--Peruvian President Gen Francisco Morales Bermudez today concluded his 48-hour official visit to Brasilia with a pacifist message asking that "the ghosts of war in Latin America" be eliminated.

Morales Bermudez made his request during a press conference in which he asserted that the "Peruvian position is one of frank support for Bolivia in its quest for a sea outlet."

Asked by a reporter about his position regarding "the Peruvian claim or attitude" with respect to the Tarapaca and Arica territories which were lost to Chile during the Pacific War, Morales Bermudez answered: "You have submitted a problem to me. I have never submitted it to myself. If we are talking about peace, how can we talk about war? Our message is that of peace, and I would like you, the journalists, to help the governments disseminate this message of peace." The chief of state maintained that Peru "is governed from a legal perspective and with respect for international treaties."

Referring to an outlet to the sea for Bolivia, which it also lost to Chile during the Pacific War, Morales Bermudez said that it is a "problem for Chile. Peru will have to make its voice heard if there is some solution that has any relation to the 1929 treaty and its complementary protocol," signed by Peru and Chile, which sealed the peace between the two countries. He asserted that concerning other solutions in which these instruments are not involved, "Peru has nothing to say."

He also remarked that in order to resolve Bolivia's landlocked situation, Peru had decided to establish free zones for that country in the Peruvian ports of Ilo and Matarani.

The Peruvian chief of state maintained that Latin American problems must be resolved on the basis of negotiations and standards of conduct. "We must eliminate the ghosts of war in Latin America, and we must do everything possible to avoid becoming over-imaginative regarding situations that are created, but which in practice do not exist or should not exist," he added.

He also denied that yesterday he had tried to dictate rules for the implementation of social democracy in Latin America, explaining that Peru respects the way each country manages its internal affairs.

He also explained that his country has no leadership intentions within the Andean sub-regional group and that in special cases, such as this visit to Brazil, he becomes the spokesman of the sub-regional organization. Consequently, this function resulted in the most important achievement of his visit, because Brazil has promised to consolidate and intensify its trade and political relations with the Andean Group. This was included in the "Act of Brasilia" which was signed yesterday with his Brazilian colleague, Gen Joao Figueiredo.

During a reception held last night at the Peruvian Embassy, a letter was drafted and signed, addressed to his colleagues of the Andean countries--which includes the "Act of Brasilia." During the press conference he stated that there are very close links between the Andean Group and the Amazon cooperation treaty, which includes Brazil. The five Andean countries are members of the Andean treaty.

He also said that LAFTA must be the object of a "total reorganization" that "cannot wait," because that organization "is not carrying out its essential task, not even in its trade aspects."

Once again condemning the current international economic order because he believes it to be unjust for developing countries, he stated that he favored the creation of "cartels" to defend the basic products of Latin America. Nevertheless, he explained that everything must be done "systematically" in order to achieve the international economic balance that is being sought.

He also remarked that the Peruvian-Argentine nuclear agreement will not stop any type of cooperation in this field between Peru and Brazil. He added that during the talks he held here he spoke about nuclear matters with the Brazilian Government at various levels.

Morales on Cuba, LA Integration

PY172334 Buenos Aires LATIN in Spanish 2145 GMT 17 Oct 79 PY

[Text] Brasilia, 17 Oct (LATIN)--Peruvian President Gen Francisco Morales Bermudez suggested here today that Cuba should not be left out of the framework of Latin American integration.

During a press conference which he held just before concluding his official visit to Brasilia, the Peruvian president said that "we Latin Americans must think like Latin Americans, regardless of our political philosophies."

Asked how there could be regional integration without taking Cuba into account, the chief of state answered that integration should extend to all the countries of America and that when a nation "leans to one side we must talk with that country, we must seek principles of dialog, not of confrontation."

Morales Bermudez Departs for Home

PY171754 Paris AFP in Spanish 1742 GMT 17 Oct 79 PY

[Text] Brasilia, 17 Oct (AFP)--Peruvian President Gen Francisco Morales Bermudez returned to his country today after an official 48-hour visit to Brazil. The Peruvian presidential plane took off from Brasilia Military Base at 1430 local time (1730 GMT) for Lima.

ITAMARATY APPROVES OF INCREASED U.S. PRESENCE IN CARIBBEAN

PY180033 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 17 Oct 79 p 1 PY

[Text] Itamaraty spokesman Bernardo Pericas has stated that Brazil is in no way involved in the attempt to create a multinational force in the Caribbean with the participation of the United States, Great Britain and Canada. He said that Itamaraty approves of any measure designed to strengthen the Inter-American Reciprocal Assistance Treaty--TIAR--and consequently, it favors a greater U.S. presence in the region. Pericas notes, however, that Brazil was not even consulted on the formation of an inter-American force.

SPOKESMAN DENIES 'SERIOUS PROBLEMS' IN RELATIONS WITH U.S.

PY180142 Rio de Janeiro O GLOBO in Portuguese 13 Oct 79 p 6 PY

[Text] Brasilia--Itamaraty spokesman Bernardo Pericas stated yesterday that the creation of a commission to study Brazilian-U.S. relations, which was announced in New York by former Under Secretary of State William Rogers, could only have positive effects.

The adviser of Foreign Minister Ramiro Saraiva Guerreiro disagrees, however, with Rogers' contention that "Brazilian-U.S. relations are at a crossroads and at this moment they are not as good as they should be." "That is his opinion," Pericas said, contending that Rogers' remarks would have been correct if they had referred to a past stage of sharp controversies over human rights and the Brazilian nuclear program.

"At this moment there are no serious problems in Brazilian-U.S. relations. There are, however, problems which are normal and natural in a range of relations as vast as that encompassed in the Brazilian-U.S. exchange. For instance, we can mention problems stemming from the implementation of compensatory duties levied by U.S. laws, but these problems do not affect our overall relations," Pericas said.

He said that the commission announced by Rogers is private and similar to many other organizations set up by U.S. businessmen and government officials to unofficially conduct actions involving bilateral relations, and which end up playing an important role in negotiating issues between the two countries involved, primarily in the economic and commercial fields.

COMMENTARY ON ROGERS COMMISSION ON BILATERAL RELATIONS

PY160302 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 14 Oct 79 p 3 PY

[From the "Notes and Information" page: "Brazilian-U.S. Relations"]

[Text] William Rogers, former under secretary of state for inter-American affairs, has taken upon his shoulders the responsibility of heading the commission which is to study the future of U.S.-Brazilian relations. This is a heavy responsibility because, as Rogers himself recognizes, "U.S.-Brazilian relations are at a crossroads ... and they are not as good as they could be;" and on the other hand, because Rogers may have perceived that interest in studying and planning these relations is at a low ebb in both Brazilian and U.S. academic and official circles. In other words, the man who has already been responsible for conducting U.S. policy in this hemisphere feels that there is a progressive separation between the two governments and that there is in the United States a lack of interest in Brazil, a fact which is of great importance in a country in which public opinion counts in the formulation of foreign policy.

It is a very auspicious sign that a man of Rogers' political prominence should try to bring together the efforts of experts from two renowned U.S. institutions and those of illustrious Brazilian intellectuals for the study of problems which might affect good understanding between the two nations even indirectly. It should be noted for the sake of truth, however, that the topics which the commission headed by Rogers intends to study have more to do with knowledge about Brazil than with the points of friction which in the past contributed even to cooling bilateral relations to some degree. This concern is understandable if one keeps in mind that the Department of State and the White House will be able to develop an effective policy toward Brazil only if they have a real and in knowledge of what is happening down here.

The work of the Rogers commission is beginning with the right step forward, i.e., by recognizing that the United States is to a great extent responsible for the distance separating Washington and Brasilia because the United States has devoted most of its attention to events in the Caribbean, neglecting the rest of the continent. Nobody can deny that in 1959, when Castro came to power, U.S. policymakers started to give the Antilles and Central America priority over other parts of the continent. After all, the Soviet power had set foot in the U.S. backyard, and it became necessary to keep it under control. The degree to which that priority yielded positive results is debatable--it suffices to note that the situation in Nicaragua, even after Somoza's ouster, continues to be a mystery and that the Soviet Union can even today afford the luxury of defying the United States in Cuba by taking advantage of the hesitant U. S. policies toward that region as well as toward the entire hemisphere.

It should also be noted that the greater interest in the Antilles was not the only cause of the separation between the United States and Brazil. That is, in fact, a half-truth. First because the governments acted together in the Dominican Republic crisis and second because the Ford and Geisel governments tried to have a relationship other than just the formal one. There were attitudes on the part of the White House which could not really help to make relations the best they could be. We are not going to mention the successive crises which are being created over problems in international trade, nor are we going to mention the U.S. reaction to our decision (which deserves criticism on many counts) to extend to 200 miles the limit of the Brazilian territorial sea, namely, the order given to U.S. ships to respect the 3-mile traditional limit. To these facts, which--leaving aside those concerned with protectionism and general trade policy--can be considered to be of minor importance, must be added the undue pressure by the Carter government against the Brazilian-FRG nuclear agreement, including the improper handling (by both countries) of the human rights question, which ended up with the renunciation of the Brazilian-U.S. military agreement.

Rogers is right in saying that among the so-called Third World countries, Brazil is one of the few that may become "an important country" within 2 decades. For this reason the studies that the Rogers commission will undertake must take into account the fact that the Brazilian Government, as well as a small but significant sector of public opinion in Brazil, no longer accept the treatment Washington is used to giving to countries below the Rio Grande. No argument should be raised as to whether the "great power" dreams or the "great power chauvinism" nurtured by some sectors of the Brazilian Government have a foundation in reality or are just ideology to serve an authoritarian system. The important thing is--and Rogers knows this better than anybody else--that the image a government adopts for a country is influential in its relations with other countries. The United States should take this into account.

Everything seems to indicate that the "Brazilianists" are a vanishing species in the United States, where concern is focused on the Middle East, the PRC and the Soviet Union for obvious reasons. Thus the Rogers commission has a great task and a great responsibility: that of insuring a better knowledge of Brazil and of the errors which the United States committed not only with its policy toward the Brasilia government, but with its policy toward all Latin America.

COSTA RICAN MINISTER TO BE CONSULTED ON SALVADORAN CRISIS

PY180102 Rio de Janeiro O GLOBO in Portuguese 17 Oct 79 p 6 PY

[Excerpt] Brasilia--The Brazilian Government intends to hold consultations with Costa Rican Foreign Minister Calderon Fournier, who arrives tomorrow in Brazil, on the political situation in Central America, especially concerning the Salvadoran crisis, Itamaraty spokesman Bernardo Pericas has reported. He added that Brazil has not yet adopted a position on the military coup which took place in El Salvador and which resulted in the formation of a military junta.

FIGUEIREDO TO VISIT ARGENTINA IN MARCH 1980

PY170116 Buenos Aires TELAM in Spanish 2150 GMT 16 Oct 79 PY

[Excerpt] Rio de Janeiro, 16 Oct (TELAM/AGENCY)--In the middle of the visit of the Peruvian president, Francisco Morales Bermudez, a journalistic bombshell exploded with the announcement that the Brazilian chief of state, Joao Baptista Figueiredo, will visit Argentina in March 1980.

The information emerged in press circles on the basis of semi-official reports and diplomatic sources indicating that during his meeting with President Jorge Rafael Videla, the Brazilian president will sign a hydroelectric cooperation contract involving the length of the Uruguay River and another one regarding nuclear cooperation in the area of training specialized personnel.

GUINEA-BISSAU PRESIDENT TO VISIT IN APRIL

PY171152 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 17 Oct 79 PY

[Text] Itamaraty has announced the visit of Guinea-Bissau President Luis Cabral at the invitation of the Brazilian Government. The communique also indicates the friendship ties and cooperation between the two countries, and that the visit would take place in April 1980.

DELFIM NETO SEES PUBLIC INVESTMENTS AS CAUSE OF INFLATION

PY111217 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 11 Oct 79 PY

[Text] Planning Minister Delfim Neto has stated that to slow the pace of inflation the government must restrain the rate of public investments. Neto also said that he has not yet found a formula to reconcile this strategy with his policy of maintaining an accelerated rate of economic growth.

Government expenditures must be restrained because fictitious economic resources are being used, and these are consequently generating inflation. He added that technically, public investments can be made only by using the national savings. Nevertheless, he added, in addition to the high level of foreign resources we are using, we are creating new sources of income by constantly selling national treasury bonds abroad and by simply issuing currency to maintain the level of those investments, and this, of course, causes inflation.

PUBLIC SCHOOL TEACHERS STRIKE, GOVERNMENT REJECTS DEMANDS

Presidential Statement

PA171526 Madrid EFE in Spanish 0946 GMT 17 Oct 79 PA

[Excerpt] Caracas, 17 Oct (EFE)--Venezuelan President Luis Herrera Campins has expressed disagreement with the strike promoted by public school teachers to protest the high cost of living and demand wage increases.

Herrera Campins said that the equivalent to $1,162,790 demanded by the teachers represents great aspirations which "cannot be accepted by my government because the needs of the country must be given priority."

The president added that "he has not been elected to distribute the wealth bit by bit so that each one will exhaust what is his and the country will be left without capabilities."

He said that a demand for reasonable increases is valid but he warned of the need to reach agreement through understanding and on the basis of what is available "since one cannot play with the hopes of the people."

The Venezuelan president said it is regrettable that "in Venezuela there are sectors which do not know how to negotiate or talk and merely resort to threats which are contrary to understanding and conciliation."

Teachers' Leader Explains Strike

PA172320 Caracas Radio Rumbos Network in Spanish 1530 GMT 17 Oct 79 PA

[Statement by Venezuelan Teachers Federation President (Isaac) Olivera--recorded]

[Text] As a member of the national interunion committee, I address the Venezuelan teachers, people, parents, students and the union movement to tell them the essential causes of the strike ordered by the national command of the Venezuelan teachers, who are firmly united.

We are holding the strike to protest the inflexible and intransigent attitude of the education minister regarding the discussions of the draft contract we submitted to the Education Ministry more than 5 months ago. After more than five or six meetings the ministry has not permitted the approval of a single clause, word, phrase or paragraph of the contract. The minister has rejected all the clauses. He has obstinately opposed all the teachers' economic aspirations as outlined in their contract.

In order to confuse public opinion, the minister falsely says that we are asking for three or four increases. We are only asking for one increase. The Venezuelan teachers do not even earn a base pay of 2,000 bolivares. On an average they earn 1,760 bolivares. The government has increased police salaries; they earn 2,000 bolivares. This shows that the Venezuelan teachers get lower wages than the police. In the second place, he says we are asking for three increases. We are asking for a single increase for a [words indistinct] on the base pay of 1,760 bolivares. The minister has said that we should wait for a decision on the law that the Confederation of Workers of Venezuela [CTV] submitted to Congress. We support that law, it is an emergency law for an emergency situation and does not satisfy the economic demands of the teachers in their collective contract. The emergency law submitted to Congress by the CTV is meant to confront an emergency situation as a result of the decontrol of prices ordered by the government and the president. The president has said that wage increases will not be granted because our demands are excessive. We believe the president has been ill-advised and misinformed by the education minister. We respectfully request that President Luis Herrera Campins meet with us so that we can brief him on the real situation.

MERCHANTS STRIKE IN RESPONSE TO CHAMBER OF COMMERCE CALL

PA171558 Buenos Aires LATIN in Spanish 1517 GMT 17 Oct 79 PA

[By Jose Montano]

[Excerpts] Panama City, 17 Oct (LATIN)--Hundreds of this capital's commercial establishments closed their doors today in a move to pressure the government and the teachers who have been on strike for 48 days to step up negotiations that will solve the conflict.

The strike called by the Chamber of Commerce of Panama took place 24 hours after the partial success across the rest of the nation of an appeal to strike by the three teachers unions which broke off negotiations with the government. The situation worsened after medical organizations which have paralyzed the nation's hospitals in solidarity with the teachers last night ordered their members to close their private clinics beginning today and to support the strike. The doctors, who have been allies of teachers since the latter defended their professional demands, have been participating directly in the teachers' movement that has kept half a million students away from school for over 1 month.

Meanwhile, the self-styled Movement for Peoples Education emerged yesterday and announced its support for wage demands and the revision of the educational reform, but stated it is staunchly opposed to continuing the strike and extending the national work stoppage.

Combined troops of the National Guard, the police and the army [as received] intercepted a demonstration of teachers who yesterday attempted to block the streets of the city. Antiriot units of the public force are on the alert although no incidents of violence have been reported.

Strike Shows Mixed Effects

PA180301 Panama City Televisora Nacional in Spanish 2315 GMT 17 Oct 79 PA

[Text] The general strike called by the Chamber of Commerce and the educators was nearly 100 percent successful in Chiriqui Province, particularly in David. In Colon its effectiveness was estimated at 80 percnet, but it had very little support in the capital. Reporters from this station toured the business sector of the city this afternoon and observed very few business establishments closed. Along Central Avenue, the main business area, practically all stores were open. Observers estimated the strike nearly reached 20 percent effectiveness in Panama City.

Further Report

PA172200 Panama City Circuito RPC Television in Spanish 1800 GMT 17 OCT 79 PA

[Excerpts] In Colon, where shops yesterday disregarded the call for a general strike, all shops and gasoline stations remained closed today. In Cocle, where a partial strike is being staged, many shops have remained open but only the National Federation of Taxi Cooperatives' gas station is operating. An indefinite commercial strike, which extends to passenger transportation, has been declared in Herrera Province. In Chorrera the strike is almost total, as it is in Chiriqui for the second consecutive day. In Chiriqui the strike includes some transport services, gasoline stations and restaurants.

Only 20 percent of the capital city's shops closed their doors this morning, heeding the Panama City Chamber of Commerce and Industry's appeal to suspend activities for 24 hours in support of the educators' demands after 48 days of strike. The strike ordered by the Chamber of Commerce should last until 0600 tomorrow. Vehicles and people moved this morning on Central Avenue as normally as on any other Wednesday when there is a lottery drawing.

A Chamber of Commerce spokesman announced at noon that other shops in the capital may join the strike this afternoon. The strike announced yesterday by the Chamber of Commerce went almost unnoticed here in the capital because a large number of shops and companies remained open. Traffic was normal and the presence of National Guardsmen on patrol was the only unusual sight.

Activities at the public market were also normal. The usual number of trucks arrived during the day loaded with fruit. Banks, gasoline stations, restaurants and the popular lottery ticket vendors all continued to carry out their normal activities.

Strike Coordinating Committee Named

PA180355 Panama City Televisora Nacional in Spanish 2315 GMT 17 Oct 79 PA

[Text] A communique issued today reveals the creation of a militant executive committee made up of representatives of the various associations of doctors and educators. The committee will be in charge of coordinating all activities related to the strike.

The communique is endorsed by the Association of Doctors and Odontologists of the Social Security Institute, the Association of Doctors and Specialists of Santo Tomas Hospital, the Association of Odontologists, the National Medical Association, the Association of Professors of the Republic of Panama, the Movement of Authentic Independent Teachers, the Association of Private School Educators and the provincial committees.

In another communique the Association of Professors of the Republic of Panama, the Movement of Authentic Independent Teachers, the Association of Private School Educators and the provincial committees express their willingness to renew negotiations with the representatives of the national government. They point out that they do so in compliance with the provisions of point 3 of the accords of 19 September, related to convoking joint discussions and which indicate that any meeting promoted by one of the parties must be announced to the other party at least 24 hours in advance.

Meanwhile, the National Medical Negotiating Commission in another communique notes that the educators have submitted several proposals and counterproposals to the government concerning wage adjustments, but the national authorities have maintained their intransigent position.

At the same time the National Medical Negotiating Commission wishes to make public the educators' disposition to continue negotiations.

EL SALVADOR

UNREST PREVAILS AFTER COUP; PRISONERS RELEASED

Situation in Mejicanos

PA171445 Paris AFP in Spanish 0450 GMT 17 Oct 79 PA

[By Paul Rutler]

[Text] San Salvador, 17 Oct (AFP)--Twenty-four hours after the seizure of power by a moderate military junta in El Salvador, violence continues to rock this small Central American country and uncertainty still prevails among the people.

In Mejicanos, located in the northern outskirts of the capital, a command of revolutionary group 28 February Popular Leagues seized the city hall and all neighboring areas, declaring that all military, be they leftists or rightists, are the same and that the people have been left with only one path: that of insurrection.

The new authorities deployed armored vehicles to that community, but the commands responded to the offensive and the shooting was still on in the early afternoon hours. According to residents in the area, several persons were killed, but it has been impossible to confirm this so far.

The Treasury Police--a veritable military force dedicated to the control of smuggling and strike movements as well--stormed three factories located in the outskirts of the capital to release some 100 hostages kidnaped over 1 month ago by members of the People's Revolutionary Bloc (BPR).

I am glad I was finally released, the director of a chocolate factory told this agency after being detained for 62 days. At the Treasury Police General Headquarters, some 100 released prisoners, their eyes reddened by fatigue and strain, smiled timidly.

You understand, before, with President Romero, we could not do anything; he was afraid of international reaction. But look at these people now, an officer told this agency.

After a long debate, this officer agreed to introduce me to several terrorists, the term he used in referring to those who had occupied the factories.

There were six men in a cell; all had their hands tied behind their backs and were blindfolded. The officer ordered their blindfolds removed so they could answer some questions. All of them were between 17 and 30 years of age.

I did not do anything; I was just passing by and they arrested me, the youngest prisoner said. The others said the same thing. The face of one was swollen. I fell down, he said, while eyeing the officer who had stayed for the interview.

They were all at the factory and were armed. Only one of them had a job. They are subversives and nothing else; we will never tolerate that again, the officer stressed. His statements summarized the entire country's current climate and contradictions. On the one hand, the soldiers call for peace while seeking to deal harsh blows to the terrorists. Revolutionaries, on the other hand, refuse to accept any compromise and call for general insurrection.

The moderate opposition and the church remain. After 49 years of tyranny in El Salvador, they are trying to give the new military government junta a chance.

12 Dead; Factories Burned

PA171905 Paris AFP in Spanish 1750 GMT 17 Oct 79 PA

[Text] San Salvador, 17 Oct (AFP)--It was reported here today that 12 persons killed and 7 factories burned is the result of incidents which occurred after the change in government in El Salvador on Monday.

The Salvadoran capital woke up this morning with the same tension that has prevailed over the past few days.

The insurgents have built up barricades to prevent vehicles and people from circulating in San Marcos, 7 km south of San Salvador.

A commando unit of the Revolutionary People's Army [ERP] tried to take over the installations of a soda bottling company and the livestock general directorate located near Ilopango, 9 km from here.

Mejicanos, a San Salvador suburb which remained under the control of ERP members, was cleared out by mixed military units which cleaned the streets where barricades had been put up.

The military junta is trying to restore order in the country while thousands of persons who are looking for missing relatives visit the morgue at the general cemetery to check the bodies of 12 unidentified persons.

The morning papers give extensive reports on yesterday's incidents between the military forces and opposition groups. However, the radio stations are not reporting on them because they are on national network by government order.

Demonstrators Dispersed

PA172034 Buenos Aires LATIN in Spanish 1857 GMT 17 Oct 79 PA

[By Ricardo Ritter]

[Excerpt] San Salvador, 17 Oct (LATIN)--Leftist elements carried out violent disturbances here today for the second consecutive day after the bloodless overthrow of President Carlos Humberto Romero. The incidents occurred at a time in which the new military rulers were trying to give an ample political base to their administration.

Witnesses reported that they heard shooting in the suburb of San Marcos, in southern San Salvador, where approximately 200 leftist demonstrators and armed guerrillas erected barricades and burned tires. Security forces appeared at the site in order to disperse the demonstrators.

At least 11 persons were killed yesterday during street confrontations, bomb attacks and fires which occurred after the fall of General Romero, a rightist.

Approximately 60 persons were also arrested and the authorities announced that they will appear before civil courts within the next few days.

Army Colonels Jaime Abdul Gutierrez and Adolfo Arnoldo Majano, leaders of the bloodless coup d'etat which sent General Romero into exile, held talks with various political groups and important figures today in order to discuss the integration of the new government. After the coup the colonels announced that a civilian-military junta in which the civilians will be a majority, will replace General Romero but the names of its members have not been revealed yet.

The official radio station announced early today that the junta would hold a news conference this afternoon but it was subsequently postponed.

The leftists believe that the new military junta is Romerism without Romero despite promises of a general amnesty for all political prisoners and exiles.

Guerrillas of the self-styled Revolutionary People's Army occupied a radio station located near Santa Ana yesterday and aired a communique urging the people to rebel against the junta. The guerrillas fled before the security forces arrived.

'Heavy Fighting' in San Marcos

LD172018 Madrid in Spanish to Europe 1830 GMT 17 Oct 79 LD

[Text] Our correspondent in El Salvador reports that following the coup d'etat which toppled General Carlos Humberto Romero, the Salvadoran Army is now confronting guerrilla groups which have not yet given up the towns they seized yesterday:

[Begin Joaquin Tagar recording] The new Salvadoran Government is at a difficult crossroads. The guerrillas have become more active since the coup on 15 October, trying to weaken the position of the revolutionary junta which has taken power, thus provoking a spiral of violence by occupying various towns and forcing the military into repressive action. Yesterday it was Mejicanos, on the outskirts of the capital. The army went in--as it also did in the case of two factories which had been occupied by workers--and the outcome was an unidentified number of dead and injured.

First thing this morning, the ERP [Revolutionary People's Army] supported by the 28 February Popular Leagues and other organizations belonging to the people armed, people united--took over the town of San Marcos. The military went into the township and heavy fighting is going on there at this moment. There is talk of a number of people dead although no numbers have been given. We have just returned from the area where we saw many ambulances moving about and people with fear on their faces.

The revolutionary junta was due to give a press conference at 1800, but this has been postponed until the early afternoon. There is talk now of Ramon Mayorga Quiros, rector of the Centroamericana University and a man of great prestige in a number of political circles in the country, being brought into the junta. [end recording]

Four ERP Guerillas Killed

PA172023 Paris AFP in Spanish 1918 GMT 17 Oct 79 PA

[By Paul Rutler]

[Text] San Salvador, 17 Oct (AFP)--Four guerrillas of the clandestine Revolutionary People's Army (ERP) were killed this morning when the army tried to recover control over the municipality of San Marcos, 6 km from here. Since dawn San Marcos had been occupied by revolutionary groups which erected barricades in the town's entrances.

A San Marcos resident told AFP that at 0600 (1200 GMT), a truck arrived and its occupants distributed weapons among the youth. Six army armored vehicles arrived 4 hours later and a fierce gunbattle immediately began. Four guerrillas who were defending a barricade were killed in the shooting. At noon, while the gunfire exchange continued in the municipality, the four bodies were still lying in front of a small barricade erected out of bricks.

One of them, with a head wound already yellow from death and the hot sun, was one of the guerrillas who yesterday occupied the town of Mejicanos in northern El Salvador. He was 1.80 meters tall and had stated his objective was to carry out the revolution to the end.

The occupation of San Marcos by a Marxist revolutionary group once again showed that the radical opposition is more determined than ever to fight as long as the military holds power, it has been said.

This morning the main opposition movement, the People's Revolutionary Bloc, announced its decision to continue the struggle.

The government canceled at the last minute the first press conference it was going to hold following the coup d'etat on Monday. A junta spokesman indicated that the cancellation was due to working meetings.

Further Report on San Marcos

PA180437 Buenos Aires LATIN in Spanish 0017 GMT 18 Oct 79 PA

[Text] San Salvador, 17 Oct (LATIN)--At least 10 persons were killed today in violent gunfights near here when the lestist opposition to the new military junta challenged the martial law imposed after President Carlos Humberto Romero's overthrow.

The fighting took place in San Marcos District, 10 km from San Salvador, where 50,000 persons live. Meanwhile the military junta seemed to have trouble forming a broad-based cabinet.

Hospital sources say 10 bodies were taken to a nearby hospital while some 200 armed persons fought security troops sent to the area to put down the rebel outbreak.

A Salvadoran Air Force jet was ordered to fly over the San Marcos District, apparently to note the places where the leftists were located.

Judicial sources also said 10 persons were killed yesterday in the fighting in Mejicanos District. This is a predominantly working-class sector.

As a result of these clashes, at least 20 persons have been killed in the 2 days following Romero's ouster.

The military junta which overthrew Romero imposed martial law in this small but overpopulated Central American country in order to prevent further violence. However, today's confrontations have defied the strict measures.

Junta Says Situation 'Under Control'

PA171408 San Jose Radio Reloj in Spanish 1200 GMT 17 Oct 79 PA

[Text] San Salvador--The new Salvadoran Government yesterday affirmed that it controls the situation in the country after checking an attack by armed leftist groups in the community of Mejicanos. The army, loyal to the new government headed by Generals Jaime Abdul Gutierrez and Adolfo Arnoldo Majano--who on Monday successfully led the coup that toppled President Gen Carlos Humberto Romero--has announced that it is in complete control of the country.

Junta Enters Presidential Palace

PA172300 Panama City ACAN in Spanish 2218 GMT 17 Oct 79 PA

[Text] San Salvador, 17 Oct (ACAN-EFE)--The Salvadoran Government junta entered the Presidential Palace and established its official residence there at 1505 (2105 GMT) today. The junta members had been taking care of their business at the San Carlos Garrison, in the northern part of the city, near the University of El Salvador.

The Presidential Palace is located in San Salvador's southeastern sector in a white two-story building across the street from El Zapote Garrison, where the army communications center operates. Moreover, Col Adolfo Arnoldo Majano, member of the government junta, told ACAN-EFE that investigations will begin to determine the responsibility of military officers and civilians involved in tortures or killings of political prisoners.

In commenting on the statements made today by the People's Revolutionary Bloc, another source close to the junta explained that the military movement was not a coup against itself [autogolpe] and that no direct U.S. intervention was involved. It was learned that several military officers are under arrest for opposing the movement.

It was reported that Gen Alfredo Alvarenga, former National Guard director and one of the busiest officers in the fight against leftist groups, is in jail. It was learned that he was known as "the machete man" among the troops because of his constant use of that weapon.

Leftists Released; Defense Chief Named

PA172315 Buenos Aires LATIN in Spanish 2251 GMT 17 Oct 79 PA

[Text] San Salvador, 17 Oct (LATIN)--The military junta today released 60 leftist workers at a time when the wave of violence against the new military government following the military coup against Gen Carlos Humberto Romero 3 days ago had begun to abate.

The original two-member military junta was expanded today to include a third member, Col Jorge Guillermo Garcia, who was named defense minister.

"You are now free men and women because we do not want you to regard us, the men in uniform, as your enemies. We assure you that we sincerely want to help El Salvador on its path toward development at this crucial time," Garcia told the workers at the National Guard General Headquarters.

The leftist workers, including several women, were arrested after troops stormed a textile factory and rescued a high-ranking executive during an incident in which three leftist youths died.

Another junta member, Col Adolfo Arnoldo Majano, told the workers that the junta was releasing them because it knew the conflict in which the leftists fought was just. Majano then asked them to trust the junta to struggle for the improvement of their situation.

Release of Mejicanos Prisoners

PA172124 Panama City ACAN in Spanish 1923 GMT 17 Oct 79 PA

[Text] San Salvador, 17 Oct (ACAN-EFE)--The new military Government of Honduras today released 50 persons arrested yesterday in disorders in Mejicanos, near this capital.

The prisoners, who were released at the Treasury Police Office, had been arrested when soldiers of the military junta that overthrew President Romero on Monday smashed a countercoup by leftist guerrillas, which resulted in 6 dead and 40 wounded.

Col Adolfo Arnoldo Majano, a member of the new military government, asked the former prisoners to trust the junta and to set aside any attitude of violence they may have.

Elsewhere it was reported here today that disorders occurred in San Marcos, but that the city was now under the control of the authorities.

Majano Remarks on Release

PA171928 San Jose Radio Reloj in Spanish 1730 GMT 17 Oct 79 PA

[Report by Salvadoran newsmen Carlos Samayoa of the YSU Network via telephone hookup]

[Text] The situation as of now is under the control of the new revolutionary government junta. The violence which started yesterday has been controlled by security and army troops.

The most important report today was the release of several political prisoners who were at various jails in the country, especially at security installations.

We will now air statements by Col Adolfo Arnoldo Majano, one of the members of the revolutionary government junta as he was releasing political prisoners who were kept at the Treasury Police Office.

[Begin Majano recording] The revolutionary government junta which has been leading the country since Monday was appointed by the armed forces. I want to explain that this action was taken in view of the anomalies which had been occurring over the past few days regarding the way in which the country's political problems were to be solved. We believe that taking violent measures to solve the country's problems is not appropriate. We feel that the causes of violence should be eliminated. The armed forces took the initiative of overthrowing the government in order to benefit the people and eliminate administrative corruption. From now on, we will struggle to make El Salvador a country with a great outlook for the future. We are responsible for giving El Salvador a good future. I urge you all to believe in our sincerity. We identify ourselves with you. We will struggle for the armed forces to bring the people closer to them. Please believe in us. Facts will show our sincerity in the next few days. I want to tell you that I have come here to release you personally. [applause] We will release prisoners at other jails at security installations just as we are doing here at the Treasury Police Office. [end recording]

Costa Rican friends, these were excepts of Majano's statement. More prisoners will be released from other jails this afternoon.

Civilian Members of Junta

PA180443 Panama City ACAN in Spanish 0417 GMT 18 Oct 79 PA

[By Rene Contreras]

[Text] San Salvador, 17 Oct (ACAN-EFE)--The three civilians who along with two colonels make up the Revolutionary Junta of the Government of El Salvador, which has assumed executive and legislative powers, were introduced Wednesday evening.

The civilians are Roman Mayorga Quiros, Guillermo Manuel Ungo and Mario Andino.

Mayorga Quiros, who has been serving as rector of the Jose Simeon Canas Central American University, told ACAN-EFE that he will leave the post to devote his time to the junta.

As of 1400 he had not yet accepted the offer to join the body that will rule El Salvador. He explained that between that time and early evening many sectors and persons had persuaded him to accept the post, including Msgr Oscar Arnulfo Romero, archbishop of San Salvador.

Mayorga, the youngest member of the junta, is 37 and a licensed engineer. He was dressed in a short-sleeved white shirt and tie. He expressed the hope that the leftist groups which have repudiated the junta and called on the people to rebel will accept a truce to give the new government time to work. Mayorga said that it is important to talk with them all and try to incorporate them into the process that will be initiated to establish a democratic system.

Mayorga added that the state of siege will be reconsidered in the next few days and that a political rather than a military solution will be sought to the conflicts which have occurred with extremist groups such as the Revolutionary People's Army, which has occupied several cities.

Mayorga said that those groups have some legitimate demands. He added that the junta will provide a means of expression to the people's organizations.

Ungo is a doctor who in 1972 ran for the vice presidency of the republic for the Opposition National Union (UNO) on the ticket with Jose Napoleon Duarte, who was running for president.

The election was won by Col Arturo Armando Molina, but UNO maintains there was an electoral fraud.

Until now, Ungo was a professor at the Central American University and was the main leader of the Revolutionary National Movement (MNR), which has social democratic leanings.

Ungo said that he had gone to the junta to represent the organizations forming the people's forum of 14 political and labor organizations, which a month ago issued a common platform.

Their platform demanded the end of repression, the dissolution of repressive special forces, a general amnesty, freedom to organize, recognition of the right to strike, price regulation and other measures.

Ungo is a 48-year-old professional, and is the oldest among the junta members.

Mario Andino, an engineer, represents the business sector. He is 43 and the manager of a factory call CONELCA, a subsidiary of Phelle Dodge, which makes electrical parts.

He graduated as an electrical engineer in Switzerland. He was wearing a coffee-colored suit without a tie when introduced as a member of the junta. He is the least known of the junta members.

BPR Says Struggle Will Continue

PA180406 Paris AFP in Spanish 2003 GMT 17 Oct 79 PA

[By Paul Rutler]

[Excerpt] San Salvador, 17 Oct (AFP)--The People's Revolutionary Bloc (BPR), the main opposition group in El Salvador, today denounced the military coup and said the struggle will continue.

It was an internal coup [autogolpe] and the military tyranny continues as before, Oscar Bonilla, a BPR leader, told AFP.

The military movement is antipopular and imperialist and is directed by the ruling class, he added.

Bonilla, 25, gave the BPR's views at the University of San Salvador surrounded by posters of revolutionary slogans and portraits of Che Guevara.

Ousted President Humberto Romero had called the university a sanctuary for subversion.

Bonilla said the junta is not revolutionary, no matter what it says. The curfew, the state of siege, the military occupation of the country and the crimes committed by the soldiers in attacking the occupied factories are the best proof of this.

For us, he added, the struggle to install a true revolutionary peoples government under proletarian control is continuing.

BPR Demands to Junta

PA180407 Panama City ACAN in Spanish 2255 GMT 17 Oct 79 PA

[Text] San Salvador, 17 Oct (ACAN-EFE)--The People's Revolutionary Bloc (BPR) today disclosed its position to the new government by submitting some 15 demands.

To the BPR, the military movement was an internal coup which had U.S. support.

In a document, the BPR demands that the state of siege, the curfew and the repressive and antipopular measures be immediately lifted.

It also demands freedom of action for the people's organizations, access to the news media by the people, dissolution of the Nationalist Democratic Organization (ORDEN) and its criminal leaders tried before a people's tribunal.

The BPR also demands disbanding the National Police, the Treasury Police and the National Guard. It also requests the release of political prisoners and those who reportedly have disappeared and the return of exiles.

It demands that the corrupt officers of the present and past governments be brought to trial and also the ministers and government officials of the overthrown government of Gen Carlos Humberto Romero.

In its document, the BPR demands that the families of political prisoners in jail and those missing be paid indemnity. The document also says there should be no foreign meddling, especially by the United States.

It furthermore demands the solution of labor conflict, a general wage increase and reduction of prices on staples, transportation, water, electric power, medicine and other items.

STRIKING WORKERS BURN DOWN FACTORIES IN SAN SALVADOR

PA170436 Panama City ACAN in Spanish 2321 GMT 16 Oct 79 PA

[Text] San Salvador, 16 Oct (ACAN-EFE)--Three factories were burned down this afternoon in San Salvador by workers who have been on strike for several months.

Apparently only one of these factories, the Sherwin Williams paint factory, did not have labor problems. The other two were the Duramas and Apex shoe factories.

The Apex factory, owned by Americans who left the country without solving the labor conflict, was paralyzed by a strike which was in its fourth month.

At Duramas the labor conflict was 1 month old and the labor authorities still had not found a solution to the problem.

About 8 days ago another factory, the Manufacturing Industries of El Salvador (IMES), paralyzed by a 7-month labor conflict, was also burned down.

Everything seems to indicate that the burning of these factories is the workers' way of retaliating for the eviction of workers from other factories that are also having labor conflicts.

The eviction was carried out today by security forces following the introduction of the new military government which yesterday overthrew Gen Carlos Humberto Romero.

It was reported at noon today that the workers who were occupying the Lido bread and biscuit factory and the Arco Construction Company had been evicted.

In the meantime, the governing revolutionary junta spokesmen said the junta had not ordered any evictions from the factories and that it could have been a decision made by sectors of the former regime without consulting them.

GUATEMALA

COMMENTARY ON 'HOSPITALITY' TOWARD OUSTED DICTATORS

PA171706 Guatemala Domestic Service in Spanish 1230 GMT 17 Oct 79 PA

[Unattributed commentary: "Guatemalan Hospitality"]

[Text] In the wake of the coup which overthrew Gen Carlos Humberto Romero's government in El Salvador, comments have been made on the former president's presence in Guatemala, as well as on former Nicaraguan President General Somoza Debayle's visit here after being ousted.

The visit by these former presidents, including that of provisional Nicaraguan President Dr Urcuyo Maleano, fall within the context of traditional Guatemalan hospitality, which neither privately nor officially closes its doors to anyone.

Guatemala has signed a number of agreements--including one on asylum--and, just as it has offered its hospitality to those Nicaraguans who left their country during the final days of the Somoza regime or after its overthrow, it has granted asylum to politically persecuted people from other countries.

So there is nothing strange or exclusive, nor is there any cause for doubt or suspicion in the merely elemental action of letting any person enter our country--even if he is the former president of another nation, whose historic events are determined by its own citizens rather than by those of other nations.

In order to qualify these visits we must remember our president's respect for the principles of self-determination of all peoples and nonintervention. It is on the basis of this political stand that we must view, in all naturalness, General Romero's arrival and that of any other visitor.

TRADE AGREEMENT SIGNED WITH ROMANIA

PA171724 Guatemala Domestic Service in Spanish 1230 GMT 17 Oct 79 PA

[Text] According to Economy Minister Valentin Solorzano, our country will derive important benefits from the agreement signed with Romania, mainly because it can [word indistinct] the prices of the raw materials used by Guatemala's [word indistinct] industry, and the numerous products that our country imports, (?would be obtained) at lower prices than those of traditional markets. According to Solorzano, we in turn will be able to export to Romania large amounts of sugar at much better prices than currently obtained by Guatemalan exporters, as well as coffee, fine wooden plates and other products.

The minister explained that these negotiations seek to balance bilateral trade as soon as possible and to adopt within its framework the necessary measures to achieve the best bilateral trade balance possible. Talks also dealt with the possibility of organizing joint companies comprised of Romanian state enterprises and Guatemalan [word indistinct] companies to produce goods and services, as well as a railroad equipment assembler projected for other Latin American markets.

FURTHER REPORTAGE ON GARCIA GRANADOS KIDNAP

Industrialist Offers Exchange

PA171411 Paris AFP in Spanish 0253 GMT 17 Oct 79 PA

[Text] Guatemala City, 16 Oct (AFP)--Because he is unable to pay the ransom demanded by the kidnapers, the father of Jorge Raul Garcia, who was kidnaped on 7 October by members of the Poor People's Guerrilla Army [EPG], today offered himself in exchange for his son. Raul Garcia, a powerful Guatemalan industrialist and a close relative of President Romeo Lucas, refused to reveal the sum demanded by the EGP, but unconfirmed reports have placed the ransom at $8 million.

Garcia said today during a news conference at his home in Guatemala City that he has complied with the first two requirements set by the guerrillas for the release of his son: publication in the country of a communique and a manifesto issued by the organization. The third condition is to publish internationally another EGP document whose text, translated into different languanges, is being awaited by the family.

The fourth and final condition, Raul Garcia said, is payment of the ransom. At this time, we can make an offer to the EGP which may or may not be to its satisfaction, Raul Garcia said, but he added that he did not know to whom he should make it because he has no way of contacting the guerrilla organization. Garcia said that members of his family and his staff have gone abroad to seek loans for the amount demanded by the EGP, but that international bankers have replied in very vague terms and it will only be possible to raise a small sum. However, he concluded, "I am willing to offer myself in exchange for my son, if they do not accept any other kind of transaction."

EGP Manifesto Publicized

PA170425 Paris AFP in Spanish 0029 GMT 17 Oct 79 PA

[Text] Guatemala City, 16 Oct (AFP)--A television newscast, the main radio newscasts and all morning papers today carried a lengthy manifesto issued by the Poor People's Guerrilla Army (EGP).

Publication of the manifesto was the second requirement imposed by the EGP on the Garcia Granados family for the release of Jorge Raul, 27, who was kidnaped on 7 October in a residential section of the capital.

Jorge Raul Garcia Granados' father will hold a news conference to inform newsmen of all the circumstances of the kidnaping of his son, including the conditions which have been imposed for his release.

The EGP manifesto, which is more doctrinaire than informative in nature, required 30 minutes to be read over the radio and occupied four or more pages in morning tabloids.

In the manifesto the EGP discusses the economic conditions prevailing in Guatemala. It states that while 389 powerful families own 3/4 of the fertile land, 3 million poor peasants work the land on hillsides, in jungle areas without roads or markets or on land that has been overworked.

The EGP states that the 15-year armed struggle was only partially defeated and has left indelible marks. Moreover, the military who fought in it refused to be only tools and now share power with the rich, with whom they are frequently in conflict.

The arrogance of the so-called private enterprise, the EGP says, cannot prevail against the force of Galils. On the other hand, the EGP accuses the Israeli Government of arming and advising those who are now in power.

In this new stage of the armed struggle, according to the EGP, social and labor organizations have multiplied in the length and breadth of our country, while the Indian masses are awakening and beginning to rise.

In addition, the EGP recognizes the value of the struggle waged by the social democrats of the United Revolutionary Front (FUR) and the Socialist Party, whose top leaders, Colon Argueta and Fuentes Mohr, were assassinated this year.

The EGP defends the guerrilla warfare which today has again erupted in Guatemala's rural areas and cities, and states that it does not believe that social changes are authentic unless there is an in-depth transformation of the society which exploiters and imperialists have built in the country. The organization calls for a revolution in which the military who are not committed to repression will have a place.

Regarding its own forces, the EGP reports that 7 years after the revolutionary forces were defeated in 1972 it has three guerrilla fronts.

Finally, the EGP reveals that efforts to achieve unity are being made by the Rebel Armed Forces (FAR), the EGP and the communist Guatemalan Labor Party (PGT), whose leadership had been disavowed by the rank and file.

HONDURAS

CADALSO HOPES NEW SALVADORAN REGIME CONTINUES PEACE TALKS

PA170305 Panama City ACAN in Spanish 2259 GMT 16 Oct 79 PA

[Text] Tegucigalpa, 16 Oct (ACAN-EFE)--Honduran Foreign Minister Eliseo Perez Cadalso said today that his country trusts that the coup d'etat in El Salvador yesterday "will not affect the peace negotiations."

The Honduran and Salvadoran Armies clashed in 1969 during a 100-hour war and since that date the two countries have been at odds although peace negotiations are being carried out in a mediation process under the direction of ex-Peruvian and International Court of Justice President Jose Luis Bustamante y Rivero.

"I hope the same criteria and willingness prevail in the new government towards an agreement with Honduras, Perez Cadalso said, especially when it has been said that Foreign Minister Antonio Rodriguez Porth is a member of the Salvadoran civilian-military junta."

The Honduran foreign minister said he was sure that the Salvadoran Government Junta will understand the urgent need to arrive at an agreement with Honduras in order to carry out the great Central American integration projects.

"I do not believe there will be a halt to the peace negotiations. I think there could be a delay but nothing else, the Honduran foreign minister said. I believe that the change in government will ease social and economic tensions in El Salvador."

FORMER NICARAGUAN GUARDS ROB BORDER POST

PA172020 Panama City ACAN in Spanish 1520 GMT 17 Oct 79 PA

[Text] Tegucigalpa, 17 Oct (ACAN-EFE)--Armed men dressed in the uniform of the defunct Somozist National Guard of Nicaragua robbed a revenue police post and several houses near the Nicaraguan border, on the Honduran side.

This was reported to Honduran newsmen by Sgt Rosalio Avila Cabrera the chief of the revenue police post in the hamlet of El Porvenir, Jamastran District, in the eastern Department of El Paraiso.

He added that the assailants, 17 in all, captured the peasant Manuel Gonzalez, whom they forced to knock on the door of the post last Sunday night when only one officer and two civilian aides were there.

"The 17 pointed guns at us," said the Honduran sergeant. "They took all the service weapons we had in the post. Then they forced me to talk to several of the residents and then they sacked their houses, taking money, food and firearms."

The sergeant stressed that they were former Nicaraguan National Guardsmen who are desperate because of the persecution to which they have been subjected in their country after refusing to surrender.

NICARAGUA

COUNTERREVOLUTIONARIES ATTACK IN BLUEFIELDS

PA172131 Bluefields Radio Chinita in English 1950 GMT 17 Oct 79 PA

[Text] Attention, Zelaya: This morning at 1230 a.m., unidentified elements hostigated [as heard] the local palace, injuring the Companero Militiano Martin who was on his revolutionary duty watching (?over) the peace and salvation of our people. These counterrevolutionary elements are being tracked down by our Sandinist Popular Army to give them their due that our people claim.

Our citizens can be tranquil and assured. The students can assist [as heard] normally to classes because the FSLN and the Sandinist Popular Army are taking the necessary measures to protect our people.

Free fatherland or death! Our march to victory is not stopping!

Citizens Asked To Stay Home

PA172142 Bluefields Radio Chinita in Spanish 1930 GMT 17 Oct 79 PA

[Text] The march toward victory will not stop! A 17 October 1979 resolution:

In the City of Bluefields, Zelaya Department, the members of the departmental junta government have held a special meeting and have agreed to:

1. Call on all the people to abstain as much as possible from holding large meetings and from going out at night until the situation returns to normal.

2. To offer all their support to the Sandinist People's Army and to our vanguard, the Sandinist National Liberation Front [FSLN] in its struggle against those trying to block the development of our revolutionary process and lead a counterrevolution.

3. To recognize and offer all their moral support and solidarity to Companero Raul Prado as the companero with the main military responsibility in Zelaya and as the leading cadre of our national FSLN leadership in Zelaya Department.

Bluefields, 17 October 1979, departmental government junta, [Signed] Francisco Lopez U., in charge of culture and sports; Lloyd (Palsher Harvey), in charge of justice; Ruben Lopez, in charge of public relations and [word indistinct]; [name indistinct], in charge of finance; Martha [name indistinct], in charge of health.

Free fatherland or death! People, army, unity: guarantee of victory! Let us crush the counterrevolution!

BORGE DENIES REVOLUTIONARIES' HAND IN BRAVO KILLING

PA172319 Managua Radio Sandino in Spanish 1800 GMT 17 Oct 79 PA

[Excerpts] At a solemn event attended by a large number of youths, Commanders Tomas Borge and Victor Manuel Tirado and Companero Francisco Ramirez were named honorary members of the 19 July Sandinist Youth. The event was held at the Espana sports facility.

Commander Borge spoke on behalf of the honorary youth group members. Companero Borge referred to the death of the so-called Commander Bravo: [Begin recording] We had nothing to do with Commander Bravo's death. However, the truth is that that henchman today is 7 (?feet underground). [applause, shouts] He was the coordinator of the Somozist counterrevolution. We do not know who killed him, but the truth is that the head of that sector of the counterrevolution has been cut off. [applause] The enemies of our people will fall one by one, and sooner or later assassin Anastasio Somoza's turn will come. [applause]

(?Let) us reiterate here that this recovered land belongs to the Nicaraguans and that those who were linked one way or the other with Somozism ceased to be Nicaraguans. [applause] [end recording]

MARXIST LEAGUE CRITICIZES ARRESTS, PROTEST HELD

PA150321 Managua EL PUEBLO in Spanish 9 Oct 79 p 3 PA

[Text] Several members of the Revolutionary Marxist League came to EL PUEBLO's offices to denounce the arrest of companeros of their organization in Granada on 6 October.

According to the arrested League members, a white Colt was seized from them without a warrant from the Office of the Attorney General. It was claimed that it was being used for "Trotskiyite activities." They were told that the homes and all the personal goods of those who call themselves Trotskiyites would be expropriated.

With regard to a leaflet distributed by the Sandinist Defense Committees [CDS] in the neighborhoods urging the people to denounce the Anti-Somozist People's Militias, the Workers Front and the Trotskiyites because they are as counterrevolutionary as the Somozists, the Revolutionary Marxist League stated that this claim was also stated by the Granada Political Command at a meeting attended by many peasants and workers of the Revolutionary Marxist League. These workers replied by staging a demonstration in the streets of Granada using the slogan: "Slander, no; trade union freedom, yes." This activity was said to be enough to cause a raid on eight homes owned by persons linked to the League and the arrest of two League members, Fernando Lopez and Luis Emilio Quintero. The CDS in Santa Lucia staged a demonstration at 0400 on Sunday after the arrests were made demanding the release of the prisoners.

Trotskiyite leader Fernando Barcenas was arrested here in Managua again on Saturday by the same military officer, Sergio Martinez Roa, who said that he had sufficient reason to arrest him again. Barcenas was taken to the Central Command at Ciudad Jardin where Sandinist leader William Ramirez said that there was no reason for his arrest and released him. However, in view of the campaign unleashed by the CDS, and the fact that the attitudes of the Sandinist leaders seem contradictory, Barcenas asked the Sandinist National Liberation Front [FSLN] to state its opinion on the matter.

"My stand is the following," Barcenas said: "Let the FSLN open the files left by the National Security Office and check me out in order to avoid commentaries which are damaging to me. Let the FSLN say if there is an anti-Trotskiyist law. I advocate workers' and democratic liberties and support the Workers Front and all revolutionary organizations."

Leader Denounces Arrest of Argentine

PA132115 Panama City ACAN in Spanish 2006 GMT 12 Oct 79 PA

[Text] Managua, 12 Oct (ACAN-EFE)--Argentine communist activist Carlos Petroni was arrested here today by the Sandinist People's Army (EPS).

Fernando Barcenas, secretary general of the Nicaraguan Revolutionary Marxist League, identified with the Fourth International (Trotskiyite), publicly denounced the arrest here today. According to his statement, Petroni is a well-known member of the Argentine labor movement and leader of the Buenos Aires graphic workers. He is visiting Nicaragua to observe the country's revolutionary process.

Upon expressing solidarity with the South American labor leader, Fernando Barcenas demanded his immediate release. He also demanded an end to the "official harassment" against his organization and its leaders. Barcenas, who was also arrested a few days ago, has asked the Sandinist government to publicly disclose any proof it has of his participation in the Anastasio Somoza regime. He added that he had always fought the Somoza regime on all fronts. He also demanded the freedom of action to which the Revolutionary Marxist League has a right "unless the government junta issues an antiworker and antisocialist decree which deprives our Trotskiyite organization of its political rights."

The press and the people here have issued many complaints about abuses "against various citizens" which have been committed by "revolutionaries" of Argentina, Colombia and other countries, some of whom have been expelled by the government. [sentence as received]

PARTY LEADERS TO ANALYZE JUNTA STATEMENTS ON PSN 'TREASON'

PA171538 Managua IA PRENSA in Spanish 6 Oct 79 pp 9, 10 PA

[Text] The Nicaraguan Social Christian Party [PSN] is circulating a communique announcing that it will begin "a series of consultations among its leaders to analyze statements made by members of the government junta." The communique is obviously referring to statements by members of the government junta in Thursday's news conference noting that the PSN was a "traitor."

The brief PSN communique states: The PSN announces to the Nicaraguan people that it has begun a series of consultations among its national leaders to analyze statements made by members of the Junta of the Government of National Reconstruction at the news conference held on 4 October.

We have given our full backing to the government junta whose government plans and actions we have generally supported.

Our party, with 22 years of unyielding and honest struggle, will issue a statement after the consultations and analysis.

MORE DEMOCRATIC ELECTIONS OF DEPARTMENTAL JUNTAS PROPOSED

PA121806 Managua LA PRENSA in Spanish 4 Oct 79 pp 2, 5 PA

[Article by Ramon Cesar Molina Martinez: "On the Election of Departmental Juntas of Reconstruction"]

[Excerpts] Among the essential aspects of any ideology is the need, whether or not primary, of holding elections to form a government. This is one of the fundamental differences between democratic and absolute governments. Democratic governments hold free elections periodically, while the regimes based on force never hold them, or they commit fraud when they do.

Let us see if the democratic process of what we call elections here satisfies us or if they lack an expression of the people's will: The Junta of the Government of National Reconstruction had to be formed outside the country because of a historic need and because the circumstances at that time demanded it. But what can we say about the elections to the departmental juntas? I think they leave much to be desired and I believe that the people's will has not been fully expressed. Why? The lists of those who will make up the junta is drawn up beforehand, as an arranged thing in an imposed manner. It is argued that whoever disagrees with the official list can challenge the names and justify his disagreement publicly. But this is Utopian because it will occur only rarely, as an exception, because it is difficult for someone to gratuitously want to become an enemy of a person, family or a sector of society. When one does not even know the persons on the list, how can one challenge them?

In several departmental elections I saw that when the people did not know a person on the list, a member of the Junta of the Government of National Reconstruction had to explain that this person was a revolutionary, and this solved everything. Can an election be good when one elects a persons one does not even know?

In my view it would be more functional and democratic if in each department partial elections are held in every neighborhood in each town to choose a specific number of persons per neighborhood, with the participation of all groups and political parties, so that a broader list, of some 25 persons, can be drawn up. The citizens of the whole department would then vote for five persons in free elections in a public or secret vote. The five persons who win the most votes on the list would be the members of the departmental junta. In this way we could say that we have voted.

I am making these proposals not for the purpose of negative criticism but with the desire to improve our democratic electoral process.

SANDINIST LEADERS BRIEF WORKERS ON REVOLUTION'S GOALS

PA140144 Managua BARRICADA in Spanish 5 Oct 79 p 5 PA

[Excerpts] The role to be played by the working class and the peasants at this historical stage was clearly defined by Commanders Jaime Wheelock Roman and Luis Carrion during the seminar for leaders of the Sandinist Workers Central and the Rural Workers Association of Masaya Department.

Commander Wheelock stressed that we are approaching a new, more just society. "We have the will power, we are on that path, although with some difficulties. [quotation mark as received].

He added that the will to fight, an efficient leadership and international solidarity, among other factors, contributed to the political and military victory of the Nicaraguan people.

The speed of our process is determined by the international correlation of forces.

Pressure Is Being Exerted in a Different Way Now

Wheelock said that we must reconstruct the country now. We need machinery and money. However, the most reactionary U.S. sectors are now scheming to stop the revolutionary process. They are in a position to impose an embargo because we cannot completely chart our course yet. To this effect, we will promote rapproachement with Costa Rica and Panama vis-a-vis the bloc of countries which operate as imperialism's policemen in Central America.

However, we are going to differentiate groups, in the sense that there are two important sectors in the United States, namely, one which is striving to achieve a change in international relations and another one which is more uncompromising and aggressive.

Our Enemies: The Turncoats and the Ultraleftists

The commander then turned to our struggle against intervention and the historical actions of many local turncoats who are the same ones who are now trying to fight the revolution under instructions from the most reactionary U.S. sectors.

They are trying to sabotage our production and our historical leadership of the process. Their objective allies are the ultraleftist sectors which cannot conceive how the people can build a democratic society.

A False Sense of Power

The commander indulged in some self-criticism saying that the government has committed errors. Work has been slow and some types of work have become bureaucratic in style. They are not as impetuous as they used to be because there was a false sense that we had seized power. We must not forget that there is a class struggle going on in Nicaragua.

The New Trade Union...The Production Council

"Workers have begun to reach power," he said, but "we must become organized." He noted that the worker and peasant organizations must work together with the government. "We from above and the workers from below."

He stressed that we must abandon the Somozist structure of unions. There must no longer be any secretaries for minutes and agreements, secretaries for conflicts and so forth. A production council must be set up in each union to keep factories running and to block attempts to sabotage them. Production at the present historical stage and subsequent stages must help reconstruct everybody's fatherland and not help a few become rich but benefit the country instead. This is the social meaning of the Sandinist revolution.

Each union must be concerned with providing political training for the workers, social welfare, revolutionary vigilance and other training to qualify workers. As for the unreformed production sector, the workers must be more tactical and politically inclined. At this historical stage we have allies...our main enemy is imperialism.

We Are Building the Revolution

For his part, Cmdr Luis Carrion said that the working class must start from the fact that we are building the revolution and that the most important thing is that political power has changed hands.

He stressed that the Nicaraguan Workers Central (CTN), the Workers Front and Domingo Sanchez's small group are scheming against the revolution. "They have no confidence in the people and their revolutionary capacity," he said.

He added that the Anti-Somozist Peoples Militia (MILPAS) devoted themselves to collecting arms in June and July while the fighters hurled stones at the Somozist tanks. Now the unions are dutybound to defend and consolidate the revolution because only the revolution can guarantee a solution to the problems of unemployment, health, education and food as well as other problems inherited from Somozism.

Criticism and Vigilance at Work Centers

Answering a question from a worker, Wheelock said that criticism and vigilance at work centers are important. Regarding certain bourgeois sectors, he said that many of them are now our allies.

"The worker is class conscious and understands his enemies but is in the dark with regard to expertise." This is one of the missions of the unions.

Regarding the nationalist bourgeoisie, he said that "a large segment of it did not participate in the struggle but now feels attracted toward the revolutionary process." In this regard, he said that workers "must be tactful and persuasive but cautious."

He made it clear that we are breaking away from the traditional pattern of relations in the production process in Nicaragua but that we have consistent allies like the nationalist bourgeoisie. "This is one way to guarantee stability in the process and to maintain unity."

We Are Not Expecting Aggressive Reaction From Somozism at Present

Regarding the possibility of a Somozist attack, Commander Wheelock said that we do not expect a mass aggression for the moment. There are indeed some Central American rightist bands trying to invade the country, but this will not require much effort.

They--the imperialists--have ways to set roadblocks for the revolution. They are trying to finance the proimperialist and turncoat capitalists who can disrupt our open economy. Our economic problem will not be solved through further borrowing because our dependence would continue. It can be solved through internal savings or by not importing many machines and luxury items, as well as other unnecessary products.

What We Will Do Against Somozism

For his part, Commander Carrion said that the demonstrations and mass events held by the people to demand revolutionary justice for Somozists and counterrevolutionaries will result in tangible action by the government, including sentencing of Somozists now in jail, persecution against and elimination of the armed Somozist bands and other groups which are Somozist in actual practice. However, this is not just a government policy but a joint action with the people. The people must denounce and expel these elements from their Sandinist Defense Committees, unions and peasant associations. The people must become organized to defend the revolution.

The New Concept of War

Commander Wheelock said regarding the abuses committed by some landowners in Masaya that the new concept of land in the new Nicaragua must be understood.

In Nicaragua, the land belonged to the Indians but it was usurped by the Spaniards, who turned it over to the crown. The crown distributed it among the colonizers. "At a certain historical moment they were given the land but at a certain historical moment it can also be taken away from them."

He cited article 20 of the statute of rights and guarantees, which provides that no piece of land is exempt from the agrarian reform in Nicaragua. Regarding the landowners who say that they would rather destroy their crops than pay workers their benefits, Commander Wheelock was clear in stating that no worker, and much less the government, can allow production to be destroyed.

Workers must demand that the law be explained and enforced. They must be persistent and fight for their rights at this historical stage.

BUDGET OFFICIAL DISCUSSES MINISTRIES' BUDGETS

PA150338 Managua LA PRENSA in Spanish 8 Oct 79 p 1, 10 PA

[Excerpts] Sixteen ministries have already submitted their preliminary budgets to the Budget General Directorate. These preliminary budgets include the government's top priority: Public education which is one of the revolutionary government's main concerns.

As we have already published, the Government Junta decided to decree, through the Finance Ministry, a general emergency budget to cover the last 3 months of the year.

Companero Franklin Perez, who is responsible for the Budget General Directorate, told LA PRENSA that central government expenditures will be properly adjusted to the reconstruction programs of the Revolutionary Government and that allocations for the requests from the public offices will depend upon the taxes collected and our economy's recovery.

Perez reported that the Education Ministry, for example, has requested 239 million cordobas for its expenditures.

The Literacy Campaign

The Education Ministry will use the funds in question to carry out the literacy campaign, one of the basic cultural goals of our revolution. It is estimated that 2 million cordobas will be used in the initial literacy tasks. [paragraph continues]

Aside from this, the Education Ministry will create 650 new jobs at the elementary school level plus 10 more jobs for the schools which operated in the national district during the Somozist era. This means that the educational system will be unified in Managua under the direct and exclusive supervision of the public education system.

Three Managua schools were previously operated under the economic sponsorship of the community which reflected the demagogic pursuit of the dynastic regime.

Dignified Teachers

Perez revealed a very important point. He said that the teachers will get truly fair salaries in line with their profession under the Revolutionary Government. He said that the new salaries are already included in the new budget.

In other words, this means that the long-suffering teachers who were exploited and manipulated during the Somozist era will get salaries not only commensurate with the cost of living but with the prestige of their very important service for the very first time in our history.

The Settlements and Housing Ministry has requested a 37-million cordobas allocation; of this amount 15.5 million (coming from a foreign loan) will be used to operate a bank for construction materials. Its main task will be to aid in the construction of houses for poor families with special payment facilities. This truly revolutionary step will benefit the country's most deprived families which will be able, in this way and through their own effort, to have decent and inexpensive homes.

The Nicaraguan Agrarian Reform Institute, which will be converted into a ministry, [as published] has requested 124 million cordobas of which 75 million will be used to buy fertilizers and other imports in order to encourage and increase the country's agricultural production.

Finally, the Natural Resources Institute has requested 7 million cordobas for operational expenses which will be primarily used to rescue our natural resources and make better use of them.

Companero Perez reported that only four ministries had not submitted their budgets and that he expected them to turn them in by the weekend in order to prepare the general budget package and present it to the government junta for its approval and implementation.

CENTRAL BANK ISSUES RESOLUTION ON LOANS

PA171740 Managua LA PRENSA in Spanish 11 Oct 79 p 5 PA

[Text] According to a resolution recently issued by the board of directors of the Central Bank, interest rates on loans for a period exceeding 18 months will be applied as follows: Loans for agricultural purposes, 15 percent; for industrial purposes, 16 percent, for commercial purposes, 18 percent.

The resolution adds that farm loans may not be granted for a period exceeding 5 years, except when they are to be used for the construction of infrastructures or for irrigation, in which case they may be for 7 years.

In addition the resolution states that industrial loans will be granted for a period no longer than 10 years and loans for commercial purposes cannot exceed 3 years.

However, the banking resolution states that long term commercial loans may be granted for "the refinancing of former loans due."

On Interests

In cases of loans pending payment by the public to financial institutions, surcharges for late payments will not be applied for the period from 1 June to 19 July. Morevoer, the resolution provides that surcharges for late payments will not be applied for the period between 20 July 1979 and the date on which the debtor refinances the due loan with the creditor institution, as long as this refinancing takes place before 1 December of this year.

NEW AGENCY TO REGULATE PRICES OF BASIC GRAINS

PA121234 Managua Domestic Service in Spanish 2200 GMT 11 Oct 79 PA

[Text] Alejandro Martinez (Cuenca), who is the person responsible for the Foreign Trade Ministry [as heard], at a news conference today clarified the concept of the new policy to be followed by what was previously known as the National Institute of Commerce (INCEI).

Now, with the new revolutionary structure, the Nicaraguan Basic Products Enterprise (ENABAS) has been born. This body was so necessary that no progress could have been made without it. On the contrary, we would have remained in the dictatorship's vicious circle, with the people themselves as victims.

ENABAS regulates the prices of basic grains. INCEI's policy was commercial in nature, but things are different now. In the revolutionary era ENABAS will operate exclusively for the benefit of our people.

GOVERNMENT IMPOSES NEW TAX ON COFFEE EXPORTS

PA150119 Managua BARRICADA in Spanish 5 Oct 79 p 5 PA

[Decree No 84 issued by the Nicaraguan Junta of the Government of National Reconstruction on 19 September 1979]

[Text] Article 1. A progressive ad valorem tax is hereby applied to coffee exported from Nicaragua.

Article 2. The basis of the tax is the "international price" converted into cordobas. "International price" is defined as the price of 46 kg of top grade coffee [cafe oro] placed on board a ship or any other means of transport at the place of embarkation (FOB), in sacks that are acceptable by international trade regulations.

Article 3. The tax established in Article 1 of this law will be applied in conformity with the following scale:

Table of Coffee Export Taxes

International Price	Tax to be paid
A. Up to 1,000 cordobas	Tax exempt
B. From 1,000 to 1,200 cordobas	50 percent of the amount over 1,000 cordobas
C. From 1,200 to 1,400 cordobas	100 cordobas plus 10 percent of the amount over 1,200 cordobas
D. From 1,400 to 1,650 cordobas	120 cordobas plus 20 percent of the amount over 1,400 cordobas
E. From 1,650 to 1,950 cordobas	170 cordobas plus 30 percent of the amount over 1,650 cordobas
F. From 1,950 to 2,300 cordobas	260 cordobas plus 40 percent of the amount over 1,950 cordobas
G. Some 2,300 cordobas or more	400 cordobas plus 50 percent of the amount over 2,300.

Article 4. The tax established in Article 1 of this law will be collected by the General Internal Revenue Office. The Nicaraguan Coffee Enterprise [ENCAFE], as the single exporter of coffee, will obtain from the Internal Revenue Office, prior to each shipment, the corresponding tax recepit specifying the value and quantity of coffee to exported.

Article 5. The General Customs Directorate will permit the shipment of coffee only in quantities up to that stated on each tax receipt issued by the Internal Revenue Office. When less coffee is shipped than that noted on the tax receipt issued by the Internal Revenue Office, the General Customs Directorate will make the corresponding notations until the shipment is complete.

Article 6. The tax established in this law replaces the withholding and income tax on the coffee industry previously paid individually by producers.

Coffee producers who have income from sources other than the coffee industry will be required to pay income tax on these other activities.

Article 7. The Ministry of Finance, in consultation with the Ministry of Foreign Trade, is authorized to draft implementing regulations for this law.

Article 8. Decrees No 602, published in the OFFICIAL GAZETTE No 293, of 23 December 1976 (tax on coffee to combat coffee rust); No 481 published in OFFICIAL GAZETTE No 101 of 9 May 1960 (tax of U.S. $0.50 for each sack of coffee exported) and any other taxes on coffee exports are hereby revoked.

Article 9. The present law will go into effect on 13 October 1979 and will be published in any mass communications media without precluding its subsequent publication in the OFFICIAL GAZETTE.

Executed in the City of Managua on 19 September 1979, the year of national liberation.

GOVERNMENT CREATES INSTITUTE OF STATISTICS, CENSUS

PA121851 Managua Domestic Service in Spanish 0400 GMT 12 Oct 79 PA

[Text] The Junta of the Government of National Reconstruction recently approved the establishment of the National Institute of Statistics and Census which will be in charge of regulating the statistical system in Nicaragua.

The institute will be headed by Companero Jaime Ocon who explained that the government's goal is to centralize and systematize the collection of statistical data for new planning in line with our country's situation.

According to Ocon, the decree authorizing the creation of the institute will be read within the next few days.

Ocon is assistant to Moises Hassan, member of the government junta.

GOVERNMENT NATIONALIZES INSURANCE COMPANIES

PA170343 Panama City ACAN in Spanish 0037 GMT 17 Oct 79 PA

[Text] Managua, 16 Oct (ACAN-EFE)--The Nicaraguan Government today nationalized the seven private insurance companies which had been operating in the country.

The respective decree was read by Alfonso Robelo, member of the government junta, over the government radio station.

At the same time, a "Nicaraguan Insurance and Reinsurance Institute" is created to gradually assume the functions of all the nationalized companies in order to avoid duplication of effort.

The institute will have a monopoly on insurance in Nicaragua. All persons residing in Nicaragua or who engage in imports and exports from this country will have to obtain their insurance from the institute.

CUBAN TEACHERS' ARRIVAL POSTPONED UNTIL NOVEMBER

PA180050 Managua Radio Sandino in Spanish 0300 GMT 16 Oct 79 PA

[Text] It was officially announced that the arrival of the Cuban teachers who are going to participate in the literacy crusade has been postponed until 5 November. The Cuban teachers will be arriving in groups of 100 until there are 1,000 as promised by the Cuban Government.

EUROPEAN COMMUNITY GRANTS FUNDS TO NICARAGUA

PA180053 Managua Radio Sandino in Spanish 0300 GMT 16 Oct 79 PA

[Text] The European Economic Community has granted approximately $10 million to the Nicaraguan Government for the purchase of basic grains, such as corn, rice, beans and cereals. This donation by the European Community to the Government of National Reconstruction will become official in a few days when Nicaraguan officials, representatives of the European Community and the ambassadors of Italy and FRG sign the corresponding documents. It was reported that these basic grains and cereals will be purchased in Central America.

HAVANA REPORTS ON GUANTANAMO NAVAL BASE EXERCISE

FL171215 Havana Domestic Service in Spanish 1145 GMT 17 Oct 79 FL

[Text] Yankee news agencies reports assert that today, after the sun has risen and in the wake of ridiculous preparations, more than 1,700 Marines will land at Guantanamo Naval Base.

In a deployment of forces worthy of Warner Brothers' movies, the landing will take place at 0830 so that the Marines can pose for television cameras. As stated by observers, this exercise would be useless if no one watches it and the Washington government is making feverish preparations so that its comedy has broad coverage in the North American press.

Top Pentagon officials have said that a reason for selecting 0830 for the operation is the desire to preclude injury to the Marines when they board their landing crafts in the dark of night.

COMMENTARY BLAMES U.S. FOR COUP IN EL SALVADOR

FL180218 Havana Domestic Television Service in Spanish 0100 GMT 18 Oct 79 FL

[Carlos Mora Herman commentary]

[Excerpts] The military coup d'etat, which earlier this week overthrew the genocidal regime of Gen Carlos Humberto Romero in El Salvador, could be referred to as a sort of an exhaust valve to release the pressure that had recently build up in the smallest of all Central American countries. Very close to this event is the U.S. Government whose interventionist maneuvers had intensified as a result of the Sandinista victory in Nicaragua and the overthrow of Washington's protege and friend, Anastasio Somoza.

You will recall--we had referred to this in an earlier commentary--that between August and September U.S. Assistant Secretary of State for Inter-American Affairs Viron P. Vaky and William (Bauder), chief of the Office of Intelligence and President James Carter's personal envoy, visited El Salvador and put pressure on Gen Carlos Humberto Romero to conduct a so-called democratic opening. At the same time North American Ambassador to San Salvador Frank J. Devine held secret talks with Salvadoran politicians and industrialists to create what the New York TIMES called a centrist force.

At the time some North American dailies noted that Devine's agenda even included the possibility of a coup d'etat as a way out of the grave situation prevailing in El Salvador if the plans being discussed with Romero were not successful.

When Viron Vaky reported to his government, he made it very clear that El Salvador was ready for a change which could be violent and radical or peaceful and evolutionary if the United States would handle the situation with great care and without making the mistakes of recent years. Another North American official by the name of (Thomas Belson), a sort of deputy to the Yankee State Department spokesman, told a meeting of North American broadcasters last week that the continued state of unrest in El Salvador was a matter of great concern for the Washington government. The growing revolutionary pressure in El Salvador provoked panic among the 14 families controlling the country's economy and the North American leaders, who decided to sacrifice Romero when the plan for a democratic opening failed, because the dictator, like his Nicaraguan colleague Somoza, chose to intensify repression and crime as a solution to his problems.

In July 1977 Romero was elected president of El Salvador in fraudulent elections and since then conducted a genocidal and brutally repressive administration, protected by the United States and Israel, the latter a Yankee agent for the supply of arms with which Romero murdered the Salvadoran people. He felt as secure in his post as his friend Somoza had felt.

Last Monday's coup has been denounced by Salvadoran people's forces as a new adventure of the United States and the national oligarchy. The apparent heads of the coup are two colonels described as moderate. They are Jaime Abdul Gutierrez and Adolfo Arnoldo Majano, who have announced a number of measures which in writing look like some reforms for the country.

Perhaps it is too early to reach conclusions on what has taken place in the past few days in El Salvador, but there is something that cannot be denied: No one can think of democratic openings or any type of reforms behind the people's back, and the coup in El Salvador was carried out behind the people's back.

FIDEL RECEIVES IRAQI GRANT FOR HURRICANE VICTIMS

JN180911 Baghdad INA in Arabic 0840 GMT 18 Oct 79 JN

[Text] Havana, 18 October--Iraq has given Cuba the sum of $7 million to assist the Cuban people in dealing with the damages caused by last month's hurricane. The contribution was handed by Iraqi Ambassador to Cuba Anwar Sabri 'Abd ar-Razzaq to Cuban President Fidel Castro during their meeting today.

Castro said that he values and appreciates the stands of Iraq and its President Saddam Husayn and expressed his thanks to the Iraqi Government and people for their solidarity with the Cuban people.

The Cuban president asked the Iraqi ambassador to convey his greetings to President Saddam Husayn and his wishes of progress to the Iraqi people.

Iraq announced last month that it would contribute the sum of $7 million to help the Cuban people who suffered damages as a result of the hurricane which hit Cuba.

DELEGATE TO WTU DEMANDS FULFILLMENT OF UN RESOLUTIONS ON CYPRUS

FL180139 Havana Domestic Television Service in Spanish 0100 GMT 18 Oct 79 FL

[Text] Cuba demanded today the fulfillment of the resolutions adopted by the United Nations and the nonalined countries movement on the Cypriot problem, PRENSA LATINA reports. Angel Garcia, Cuban representative to the fourth World Trade Union conference on working women's problems being held in Nicosia, Cyprus, referred to the urgent need for the withdrawal of foreign troops from Cyprus and the reunification of the country. The Cuban delegate once more reiterated our people's support for the Cypriot workers and people in their struggle for sovereignty and territorial integrity.

BARBADOS

FORDE COMMENTS ON HUMAN RIGHTS, U.S. MILITARY IN AREA

FL161241 Kingston Domestic Service in English 1130 GMT 16 Oct 79 FL

[Text] Barbados Foreign Minister Henry Forde has strongly criticized what he said were human rights violations in Grenada, Cuba and Haiti. Speaking to newsmen in his country yesterday on his return from New York where he addressed the United Nations General Assembly, Mr Forde said he was likely to incur the wrath of other Caribbean nations for his unprecedented action, but, according to him, Barbados had a right to speak out when things were not going right.

The Barbados foreign minister charged that Grenada, Cuba and Haiti were holding political prisoners in their jails and were denying the right to dissent and form political parties.

Commenting on the United States decision to increase military activity in the region, Mr Forde said that country had the right to act when it felt its security was being threatened. But he added that Barbados did not want any foreign troops [words indistinct] country.

BELIZE

PRICE CALLS FOR ELECTIONS ON 21 NOVEMBER

FL171953 Kingston Domestic Service in English 1930 GMT 17 Oct 79 FL

[Text] General elections are to be held in Belize on November 21st. A release from Premier George Price's office said that after he had informed Governor Peter McEntee of the date the 80-member house of representatives would be dissolved. The ruling People's United Party and the opposition United Democratic Party will contest all the seats.

GRENADA

BISHOP DEFENDS HIS COUNTRY'S HUMAN RIGHTS RECORD

FL171508 Kingston Domestic Service in English 1430 GMT 17 Oct 79 FL

[Text] Grenadian Prime Minister Maurice Bishop has defended his island state against human rights accusations by the Barbados Foreign Minister Henry Forde. The Grenadian leader said the Barbadian minister's condemnation was in response to a United States directive. Mr Bishop said the Tom Adams government in Barbados had a policy against what he termed progressive governments in the Caribbean, (?including) Cuba.

In the meantime the anti-Grenada backlash continues. Today a second CARICOM government, Antigua, condemned what it said were human rights abuses in Grenada and suggested the need for a CARICOM code of rights. The condemnation was contained in a statement from St Johns by Antiguan Deputy Premier Lester Bird.

In Port-of-Spain, meanwhile, a leading Trinidadian lawyer has suggested that CARICOM and other governments isolate Grenada because of alleged human rights abuses. (Ramish Maharaj), head of the island's human rights committee said countries should refuse to trade with Grenada and issue sanctions on the island.